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THE JERUSALEM POST

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3 killed, 61 injured in Durban outrage as violence spreads Massive car bomb rocks major S.A. city

DURBAN. — Three young women were killed and at least 69 people injured, 15 of them critically, when a powerful car bomb devastated a busy shopping and restaurant complex on the beachfront here late Saturday.

The authorities said two white women, aged 22 and 28, were killed instantly in the blast, and an Indian woman died later of her injuries in hospital. The bomb also injured at least 69 people, 15 "critically," they said.

No further information was available because of restrictions imposed as part of a nationwide state of emergency declared last Thursday to prevent an explosion of protest expected to mark the 10th anniversary today of the 1976 Soweto riots in which some 700 people were killed.

The bomb exploded outside the Garfunkel restaurant in the Parade Hotel, which was extensively damaged, along with a neighbouring hotel and two apartment blocks.

The blast occurred despite the estimated 2,000 detentions in widespread roundups of anti-apartheid activists.

The Information Bureau said last night that according to the police, explosives used in the car bomb were of Russian origin and this indicated that the outlawed African National Council was probably involved.

The ANC, contacted at its headquarters in Lusaka, Zambia, declined any comment on the blast.

The ANC, which has urged blacks to stage acts of civil disobedience today as part of a planned general strike, had claimed responsibility for the deadliest car bombing in South Africa's history — a blast in May, 1983 that killed 19 people and wounded more than 200 in downtown Pretoria.

Seven blacks died in the latest day of the violence that has claimed over 1,600 lives in the last 28 months, the government information bureau said yesterday. This brings to 22 the death toll since Pretoria clamped the emergency on the riot-torn country.

Apart from the three victims of the Durban explosion, all the casualties were blacks.

The government, without providing figures, said overall incidents of violence have declined since the emergency, which was imposed in an effort to curb unrest and suppress expected anti-government protests arising from today's anniversary.

(Continued on back page)

Haredi-secular tension persists as bid continues to calm atmosphere

By HAIM SHAPIRO
 Jerusalem Post Reporter

Responsible officials and moderate leaders yesterday tried to reduce enmity between the secular and religious communities that erupted this weekend with the ravaging of a Tel Aviv synagogue. But their calls appeared in many cases to fall on deaf ears.

In Tel Aviv, Prime Minister Peres's assurance that the problem could be resolved by talks and adherence to the religious status quo that has prevailed since the establishment of the state was met with jeers and catcalls from his own Labour Party.

In Jerusalem, a demonstration by a small group of youths from the Religious Kibbutz Movement outside the Central Hotel, the headquarters of Agudat Yisrael MK Menahem Porush drew screams of anger from ultra-Orthodox haredim, apparently outraged that the demonstrators' signs indicated they were against violence of any kind.

In Petah Tikva, the walls of City Hall were painted at dawn on Sunday with signs reading: "Dov Tavori should be killed," and "Dov Tavori should go to hell." Tavori is the city's mayor. In addition, a swastika was painted on one of the walls and city maps posted outside were ripped down.

On Bnei Brak's Rabbi Akiva Street, a sign was painted yesterday that read: "Run over every ultra-Orthodox man — the war has just begun."

In the Galilee town of Yavne'el, civic leaders meanwhile issued a "cool it" plea to Orthodox and secular residents following an act of vandalism at the local religious school. Teachers arrived at the school yesterday morning to find that one of the classrooms had been broken into. Prayer books and bibles were ripped, tefillin torn apart and prayer shawls thrown outside.

The intruders were also thought to be responsible for scrawling anti-

religious graffiti on the walls of the local council building. Some of the slogans were aimed at the town's chief rabbi, Meir Frankel.

The vandalism of Tel Aviv's Hadasel Harim Yeshiva over the weekend and Bnei Binyamin Synagogue last Tuesday night drew strong reactions from the religious and secular communities. "It would have been far better if they had burned down the offices of some religious political party," Ashkenazi Chief Rabbi Avraham Shapiro told *The Jerusalem Post*.

He said the worst part of the attack was the fact that a Jew could consider vandalizing a synagogue at all.

According to Hanina Schiff, sexton to the 88-year-old Rabbi Simcha Bunim, the *admor* of Gur, the rebbe had not been told of the incident at

the yeshiva, because of his frail health. In fact, it had been to visit the rebbe's court in Jerusalem that the 600 students of the Hadasel Harim Yeshiva had all been away, leaving the institution empty for the vandals.

Yesterday a steady stream of public figures visited the yeshiva to view the torn holy books and tefillin littering the floor. Porush declared that he had seen nothing like it since the Arab riots in Hebron in 1929.

While the students in the Tel Aviv yeshiva had difficulty in returning to their studies as their teachers ordered, the atmosphere was subdued at the Gur yeshiva in Jerusalem. Few stood around the entrance and those who did expressed sorrow over the attack but did not speak of retaliation or revenge. The Gur Hassidim, ironically, are among

(Continued on back page)

Peres: 'No alternative to religious-secular dialogue'

By ROY ISACOWITZ
 Post Political Reporter

TEL AVIV. — There is no alternative to dialogue between the religious and secular communities in Israel, Prime Minister Peres told the central committee of the Labour Party yesterday.

In emotional and often angry tones, Peres vowed to use force against the "practitioners of violence," be they religious or secular. But he rejected urgings from the audience to openly condemn the religious community, saying that "no one camp should be blamed" for the activities of its minority.

Peres's speech was repeatedly interrupted by hecklers, who accused him of showing weakness in countering religious extremism. At one point, several young demonstrators walked around the hall with placards condemning the government's "capitulation" to "religious coercion."

Peres appeared disconcerted by a statement from the audience that the police had released imprisoned religious zealots after political pressure was applied. "If you have any complaints, the minister of police will answer them," he said. "As far as I know, the police have followed normal procedure."

He criticized a motion for the agenda by Young Guard leader Ephraim Zinger, who had blamed religious extremists for the current tension. "Burning bus stops is bad, but there is no act more serious than burning a synagogue," Peres said.

The only solution to the religious tension was "dialogue and the maintenance of the status quo," Peres said. "We want an Israel in which there are both religious and secular citizens and in which neither side forces its views on the other." He noted that there were still "three or four points of dispute" regarding

(Continued on Page 9)

Bruno gets top bank job

By AVI TEMKIN
 Post Economic Reporter

Prof. Michael Bruno, the governor-designate of the Bank of Israel, will have little time to celebrate his appointment. In the next few days he will have to make a series of decisions about senior appointments at the central bank and to adopt measures to maintain the economic stabilization programme.

Officials said yesterday that Bruno's immediate concerns would have to include the rehabilitation of the embattled central bank and the implementation of the Bejski Commission of inquiry's recommendations.

On Friday, the second 30-day period granted by the commission to the board of directors of Bank Discount to dismiss Rafael Recanatani as their chairman will be over. If no resignation has been tendered by then, according to the Bejski recommendations, the new governor will have to immediately appoint an administrator for Bank Discount, which would be tantamount to suspending Recanatani.

Bruno's appointment was approved yesterday by the cabinet. The cabinet decision is only a recommendation to President Herzog, who is formally empowered to appoint the new governor. Finance Minister Moshe Nisim said yesterday he had asked Herzog to approve Bruno's appointment this week.

The 54-year-old professor of economics at the Hebrew University will be the fifth man to serve as governor of the central bank. He once served as director of its research department, and has a long record of participation in the drafting of economic policy, notably last July's economic stabilization plan, of which he is believed to have been an author.

Bruno's appointment ends a lengthy dispute between the Likud and Labour on naming a replacement for former governor Moshe Mandelblat. Mandelblat resigned in accordance with the recommendation.

(Continued on Page 9)



A member of the exiled African National Congress carries a poster of the anti-apartheid movement's imprisoned leader, Nelson Mandela, at yesterday's mass rally in Harare, Zimbabwe, marking the 10th anniversary of the Soweto uprising.

(Reuters telephoto)

Israel closes its embassy for 24 hours

By BENNY MORRIS
 and ROY ISACOWITZ

Israel yesterday fell into step with the EEC's reaction to the state of emergency in South Africa, reiterating its opposition to apartheid and announcing the closure of its embassy in Pretoria for 24 hours, to mark the 10th anniversary of the 1976 Soweto uprising today.

Israel, like most Western countries, has been under pressure during the past few days to react to Pretoria's declaration of a state of emergency on Thursday in which most civil liberties were suspended. Israel's position is particularly difficult in view of its links with, and concern about, the 120,000-strong South African Jewish community and the special economic and defence relationship between the two countries.

Histadrut Secretary-General Yisrael Kessar yesterday sent a telegram to South African President P.W. Botha urging the release of 14 prominent trade union leaders detained since the imposition of the state of emergency.

The Labour Party central committee also condemned the state of emergency and Prime Minister Peres expressed his "sadness and pain" at the failure of South African Jewry to immigrate to Israel.

Peres bars minister from meeting GSS 'dissidents'

By BENNY MORRIS
 Post Diplomatic Correspondent

Legal circles yesterday criticized Prime Minister Peres's decision to prevent a meeting between a senior cabinet minister and the "dissident" former senior officers of the General Security Service over the GSS affair.

Peres refused to permit the inner cabinet member to meet the three ex-officers — Reuven Hazak, Peleg Raddai and Rafi Malka — to hear

their version of the affair. Hazak and his colleagues sparked the affair by complaining to Peres and then attorney-general Yitzhak Zamir about the alleged killing of two captured Arab terrorists and a subsequent cover-up by GSS chief Avraham Shalom.

The legal circles described Peres's decision to prevent such a meeting as "strange and of doubtful legality."

(Continued on Page 2, Col. 3)

Cutting off the PLO's media arm

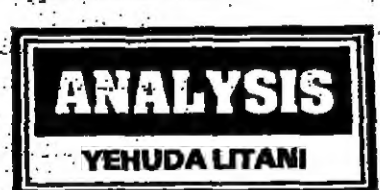
Jordan's recent ban on West Bank journalists from entering that country is a deliberate attempt to undermine one of the PLO's most effective sources of power among Palestinians and the Arab world — the dissemination of information about the territories.

The blacklisting of 34 "pro-PLO" Palestinian journalists from the West Bank and East Jerusalem has captured the media's attention. But the most significant Jordanian move has been its imposition of a media boycott on newspapers and press agencies in East Jerusalem and the West Bank which have supported the PLO in its recent split with Jordan.

Not only journalists are on the new blacklist. According to reliable sources, dozens of PLO supporters from the territories have not been allowed to enter Jordan in recent weeks. Slowly but surely Jordan is whittling away at the PLO's power bases in the East Bank.

Following King Hussein's speech last February in which he announced that he was breaking off political cooperation with the PLO, Jordan has closed the PLO's liaison offices in Amman and prevented the entrance of PLO activists from the West Bank.

Since last week, Jordan's media — the official television and radio and the semi-independent newspapers — are hardly giving any coverage to events in the territories. The Jordanian media are not allowed to quote most of the Palestinian publications in the territories because of their support for the PLO.



The most popular TV channels in the territories have always been the Jordanian ones. For some days now, however, viewers in the West Bank and the Gaza Strip have had to rely on Israel TV's Arabic service for coverage of the territories. Or they have had to listen to other Arab radio stations.

West Bank and Gaza inhabitants can of course read their local publications. But much information which is considered vital is now unavailable to more than 1.7 million Palestinians living in Jordan.

The PLO leadership's real fear is

that the Jordanians will decide to close their operations office in Amman. For the PLO, the "Western Sector Command" is the most important base they have in Jordan, since it is the operational centre of terror activities in the territories and Israel. Its commander is Abu Jihad (Khalil al-Wazir), Yasser Arafat's deputy who operates from Amman.

Closing this office and expelling the PLO operatives is Hussein's strongest card. If he decides to do so, Abu Jihad and his men will have to move to their rear base, in Iraq. But this rear base is no longer safe for the PLO, due to the pending rapprochement between Syria and Iraq, initiated by the Jordanian king. If Baghdad does not allow PLO activity within its borders, Lebanon will remain the only Arab base for this organization.

In the meantime Hussein is trying to rattle the PLO with measures intended to force it into political submission to his negotiating strategy.

Arafat, secure in the knowledge that he has the overwhelming support of Palestinians inside and outside the territories, has not surrendered and is not likely to do so.

World Cup result

MEXICO CITY (AFP). — Mexico reached the World Cup quarter-finals when they beat Bulgaria 2-0 in the first of the second round matches here yesterday. The goals were scored by Manuel Negrete in the first half and Raul Segura in the second. (More World Cup news, page 4)

Jerusalem Post poll:

Gov't rides popularity crest

By HANOCHE
 and RAFI SMITH

Public approval of the government's performance reached a 10-year high in May, with 61 per cent of those surveyed indicating they approved of its work, the Smith Research Centre has found in a poll conducted for *The Jerusalem Post*.

The May figure marks a 10 percentage point gain from the last poll in March, which showed 51 per cent of the public approving the government's performance. Only last Au-

gust, the poll found that only 31 per cent approved.

Key ministers in the government, led by Prime Minister Peres with a 79 per cent approval rate, also received high ratings. But the level of support for individual parties and blocs was generally unchanged.

The May survey was conducted among approximately 1,100 Jewish voters, representing all segments of the Jewish population.

The national unity government

(Continued on Page 2, Col. 6)

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EIGHT PAGES FROM SUNDAY'S
The New York Times
 WEEKLY REVIEW INSIDE TODAY

The weather at major Swissair destinations

	15.6.86	MIN.	MAX.	
AMSTERDAM	15	9	21	Clear
BRUSSELS	15	9	21	Clear
BUEENOS AIRES	13	5	19	Clear
CIRAGO	12	5	19	Clear
COPENHAGEN	11	5	17	Cloudy
FRANKFURT	17	6	24	Clear
GENEVA	12	5	19	Clear
HELSINKI	15	9	21	Clear
HONG KONG	27	21	33	Clear
JORDANESBURG	5	4	17	Clear
LISBON	22	12	32	Clear
LONDON	12	5	19	Clear
MADRID	14	7	21	Clear
MONTREAL	11	5	17	Cloudy
NEW YORK	17	6	24	Clear
OSLO	11	5	17	Cloudy
PARIS	19	6	26	Clear
RIO DE JANEIRO	17	6	24	Clear
SAO PAULO	15	9	21	Clear
STOCKHOLM	14	7	21	Clear
TOKYO	19	6	26	Clear
TORONTO	17	6	24	Clear
VIENNA	15	9	21	Clear
ZURICH	15	9	21	Clear

*For the latest weather conditions contact Swissair.

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THE WEATHER

Forecast: Partly cloudy to clear.			
	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	45	14-25	26
Golan	45	14-25	28
Nahariya	45	14-25	27
Safed	48	15-26	26
Haifa Port	44	14-23	33
Tiberias	52	20-30	30
Nazareth	57	21-27	27
Afula	52	20-30	30
Shomron	52	17-27	27
B-G Airport	70	20-27	27
Jericho	66	18-26	26
Gaza	34	21-34	34
Beersheba	73	19-26	26
Eilat	33	16-30	30
Gilat	19	24-37	37

SOCIAL & PERSONAL

To participate in the Hebrew University Board of Governors meeting: Mr. and Mrs. Leon Kovalivker (Argentina); Mrs. Fela Perelman and Mr. and Mrs. Joe Zucker (Belgium); David Bronfman, Dr. Mina Deutsch, Mr. and Mrs. Simon Fleg, Dr. and Mrs. Ralph Halbert, Toby Roland and Edward Winkler (Canada); Mr. and Mrs. Jacob Becker, Mario Becker, Sergio Becker, Mr. and Mrs. Avi Becker, Mr. and Mrs. Jorge Leipuner and Ing. and Mrs. Elias Saco (Mexico); Mr. and Mrs. Alfonso Hachuel (Spain).

Mrs. Sylvia Grossman, Mr. and Mrs. Max Haber, Richard Kostelant, and Dr. and Mrs. Henry Sonneborn III (U.S.).

Mrs. Thomas Pickering, wife of the U.S. ambassador, last week visited Wizo institutions in Herzliya Pituah and Tel Aviv, in the company of World Wizo President Rava Jaglom, who afterwards tendered a luncheon in her honour at her Tel Aviv home.

Protest by wife of deported unionist

By JOEL GREENBERG

The wife of a deported West Bank trade unionist has begun a public campaign to visit her husband in Jordan after being told she could see him only if she stayed out of the territories for three years.

Sibam Barghuti has charged that the Israeli condition is meant to effectively deport her from the territories. Her husband, Ali Abu Hilla, was expelled to Jordan in January along with three other Palestinian activists.

Barghuti said that no explanation was given for the demand that she make a written commitment to stay away for three years. She charged that the condition violates humanitarian principles and international conventions and plans to appeal to international legal groups and to Israeli MKs.

Barghuti herself was jailed for two years in 1982 on charges of belonging to a terrorist organization, and security sources indicated yesterday that the conditions were attached to her departure for security reasons.

Abu Hilla was secretary of the "Unity" faction, sympathetic to the Democratic Front for the Liberation of Palestine, in the umbrella organization of West Bank labour unions. He has lived in Jordan since his deportation.

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on the honorary doctorate conferred on him by the Technion

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HOME AND FOREIGN NEWS

Arab anger grows over uprooted olive trees

By DAVID RUDGE and MENACHEM SHALEV

SAKHININ. — Arab protests are growing over the alleged uprooting of an olive plantation by the Israel Defence Forces in the disputed military training zone known as Area Nine.

Neighbouring villages of Arraba and Deir Hanna have decided to join Sakhinin in a one-day strike today to protest against the incident. The IDF categorically denies removing trees and says the only tracks discovered on the site were made by a tractor, not an armoured vehicle. The army also maintains that only a few trees were uprooted, not dozens as claimed by local farmers.

Leaders of the three villages have rejected the IDF's denials and intend to go ahead with their protest. Shops, schools and businesses are expected to close for the day and local council services are to shut down.

The villagers have also won the support of the national committee of the Arab local councils which has ordered its members to stage a symbolic two-hour strike today.

The dispute over Area Nine has led to numerous confrontations between IDF troops and farmers trying to reach their plots. The Arabs maintain that they have title deeds to large parts of the land — despite the fact that it has been used as a military zone since the Mandate.

The government is due to discuss the future status of Area Nine in three weeks' time. Sakhinin local council chairman Mohammed Ghannim yesterday urged the government to allow village representatives to participate in the talks. He said that it was unfair and illogical to allow Jewish settlers in the region to cultivate plots within the boundaries of Area Nine, while Arab farmers were denied the same rights.

In an emergency meeting on Saturday, local Arab council heads decided to call off a general strike to protest against the Interior Ministry's withholding \$1.1 million in local funds in order to give the ministry and the Treasury until the end of the month to provide the money.

The head of the Interior Ministry's local government administration, Aryeh Hecht, confirmed yesterday that the ministry is holding \$1 million of the \$4m. budgeted to the Arab local councils to cover deficits. Hecht told *The Jerusalem Post* that ministry officials had not had sufficient time to meet with all the Arab councils and that some of these councils had not yet presented their budget reports for the fiscal year that ended on March 31, 1985. Hecht said that the Finance Ministry had already transferred the remaining \$1m. to the Interior Ministry and that he expected the sums to be transferred to the Arab councils in the very near future.

Hecht added that Arab councils do not receive the same allocations as Jewish ones because they do not deliver the same level of services or present comparable development plans.

The ministry had put special emphasis in the past few years on improving the level of services provided by Arab local councils, he said. Interior Minister Yitzhak Peretz met last week with the finance minister in an attempt to secure a special budget for development of services in various sectors, including the Arab one. If he succeeds, the resulting development in the Arab sector will pave the way for greater parity in the distribution of the regular budget.

LIBERIAN FM ARRIVES

BEN-GURION AIRPORT (Itim). — Liberia has always supported the historical right of the Jewish people to the land of Israel, even at the cost of criticism from fellow African nations. Liberian Foreign Minister Dr. J. Bernard Blamo said yesterday on his arrival here for a week's stay.

Blamo described the current situation in South Africa as "a very difficult experience that we are all enduring," and called on Israel and the rest of the world to use its influence on the ruling powers.

Foreign Minister Shamir said that Israel has always opposed apartheid and is trying to influence the South African government to change its policy, but that Israel also had to think of the Jews who live there.



A burned-out bus shelter near the Jerusalem Shekem bears posters calling for tolerance, and discouraging extremism. Hundreds of the posters have been distributed by the B'nai B'rith Anti-Defamation League and the Israel Forum. (Yossi Zamir)

Histadrut demands full C-o-L payment

By ROY ISACOWITZ and AVI TEMKIN

TEL AVIV. — The 1.6 per cent increase in the consumer price index for May entitles the country's workers to receive a 5.8 per cent cost of living increment with next month's wages. Histadrut Secretary-General Yisrael Kessar said yesterday.

Kessar said yesterday that the Histadrut expected the C-o-L allowance to be paid in full and would not accept new price increases or the relaxation of price controls.

The government must find a way of compensating employers for part of the C-o-L increment which they will have to pay, Kessar said. The rest, he added, will have to be absorbed by the employers.

In reaction to the Treasury's indication that it would not adjust tax brackets this month, since according to law this is only necessary next month, Kessar said that the Histadrut would demand that the govern-

ment "fulfil its obligations on the issue." (Related story, page 8.)

Finance Minister Moshe Nissim is to meet Kessar today. He said that although the inflation rate was expected, the government should consider ways of further reducing the figure to what he called "European rates of inflation."

Prime Minister Peres said yesterday that Phase Two of the government's economic programme would be announced "within a few weeks." The programme would have both the austerity and growth elements, he said, and would be implemented in partnership with the Histadrut and the employers.

Reacting to May's 1.6 per cent consumer price index, Peres said that more could still be done to heal the economy and that inflation could be reduced to 6 per cent annually. The most important task at hand was to improve the balance of payments, he said.

Court hears letters smuggled by Ya'ari

By YORAM GAZIT for The Jerusalem Post

TEL AVIV. — The prosecution in the Hava Ya'ari trial yesterday produced in the District Court here a series of messages the defendant tried to smuggle out of prison, in which she sought to implicate co-defendant Aviva Granot in the murder of American tourist Mala Malovsky.

The notes, which were written after Ya'ari's arrest last January on charges of murdering Malovsky, were supposed to be given by Ya'ari's cell-mate, Tzipora Rimer, to Ya'ari's sister, Tzipi Kabilo. Rimer was due to be released from the Abu Kabir lockup at the time.

In one of the messages, written just after her arrest, Ya'ari complained that Granot had turned state's evidence against her "despite the fact that she is more guilty than I am."

Ya'ari told her sister that when the head of the investigation team, Michael Hadad, questioned her, she was to say that Granot was with Ya'ari on the night of March 10, 1985, when the murder is alleged to have occurred.

"I must have Vivi [Granot] in the picture," Ya'ari wrote. "She invented all sorts of things about me and said she was not with me. Actually she was the one who did everything." At the time, Granot denied being with Ya'ari at the time of the crime.

In another message, Ya'ari wrote: "I need your testimony to crack Vivi's alibi that she was not with me and stayed home. Invent all kinds of things that come to your mind. Tell him about my dependency on Vivi and that I could not move anywhere without her."

GSS

(Continued from Page One)

The three ex-GSS officers have recently been ordered to avoid all contact with the press or politicians. The legal circles said "the pall of secrecy thrown over the affair — now that most of the details have come out — is unintelligible."

Meanwhile, Attorney-General Yosef Harish indicated yesterday that he expected to submit his decision by the end of this week on how the affair should be investigated.

Observers in Jerusalem said they expected Harish to meet with the senior legal experts who had assisted Zamir on the case since February and to hear their views on the affair before reaching his decision.

Israel TV, in a report last night on the affair, implied that Foreign Minister Shamir, when he became prime minister in 1984, instituted new rules of behaviour for the GSS in its treatment of Arab suspects and prisoners.

A spokesman for Shamir described the television report as "erroneous." He said Shamir intended to complain to the Israel Broadcasting Authority about the broadcast.

Israelis not worried

Post Defence Correspondent Military experts in Tel Aviv said last night that they were not concerned by the injection of Syrian troops into the area around the South Lebanese town of Mashgara "within the context of Syria's battle with Hezbollah."

Though the entry of Syrian specialized forces of undetermined strength into Mashgara, just 10 kilometres north of the security zone, is the first significant movement of Syrians since Israel's withdrawal from Lebanon last June, military experts said that they "understood" the move. "We prefer the Syrians there to Hezbollah," they added.

The Syrian units, reported to comprise paratroops and commandos, have been filtering into the town during the past few days, after fighting broke out last week between the Syrian-allied Social Nationalist Party and the pro-Iranian, pro-PLO Islamic fundamentalist Hezbollah militia. Observers say that the Syrian move should be seen within the wider context of Syria's embryonic rapprochement with Iraq.

'U.S. agents met Israelis in Arab embassy'

By WOLF BLITZER

WASHINGTON. — Agents from the Federal Bureau of Investigation once broke into an Arab embassy in Washington to plant a listening device and ran into an Israeli bug team leaving the scene.

This was reported yesterday by *The Washington Post* in a lengthy article on Israeli spying in the United States.

"They waved at each other," a U.S. official said of the U.S. and Israeli teams bugging the unnamed Arab embassy.

The article said that Israel for decades has targeted and been able to learn virtually every secret about U.S. policy in the Middle East.

But the report said that this "remarkable intelligence harvest is provided largely, not by paid agents, but an unofficial network of sympathetic American officials who work in the Pentagon, State Department, congressional offices, the National Security Council and even the U.S. intelligence agencies."

Quoting interviews from more than two dozen U.S. intelligence officials, the newspaper said: "It is one of the most striking manifestations of the so-called special relationship that has developed between the U.S. and Israel in the nearly four decades since the Jewish state was founded."

The Washington Post quoted U.S. officials as saying that they were not all that disturbed by Israeli espionage in the U.S. because the intelligence benefits derived from the special relationship with Israel outweigh the losses.

The most frequently cited advantages were intelligence coups gained from getting access to Soviet equipment captured during Israeli wars and the exchange of information to fight terrorism.

The Jewish Agency for Israel and The World Zionist Organization extend heartfelt condolences to Phil Granovsky Honorary President of the Keren Hayesod, World Board of Trustees on the passing of his beloved

Mother

Arye L. Duzin
Chairman

The United Israel Appeal of Canada Inc. its Officers and Staff express sincere condolences to Phil Granovsky on the loss of his

Mother

Nathan Silver, Chairman Allan Offman, National President
Leo H. Marcus, Director General Walter D. Hess, Executive Vice-President

The World Family of United Israel Appeal-Keren Hayesod expresses its sorrow and condolences to The Phil and Irving Granovsky Families on the loss of their

Mother

Beka'a clash brings Syrians near zone

BEIRUT (AP). — Syrian forces ventured closer than ever to the security zone in South Lebanon early yesterday to end a four-day battle between leftists and Iranian-backed Moslem fundamentalists in the Beka'a.

The Syrian intervention came as fighting in the Beka'a threatened to undermine a newly proclaimed cease-fire between Shiite Moslems and Palestinians that ended over a month of fighting in the refugee camps of Beirut.

In their first foray into southern Lebanon since Israel formally withdrew from the country a year ago, Syrian paratroops rolled into the Beka'a town of Mashgara shortly after midnight Saturday. They entered Mashgara, which is about 10 kilometres north of the security zone, with armoured personnel carriers and halftracks.

No tanks were involved in the operation, Lebanese police said, apparently to avoid confrontation with Israel. Israel has warned the

Syrians against moving into areas unoccupied by either army. Syria maintains 25,000 troops in northern and eastern Lebanon.

Lebanese police said Syria's action was aimed at restoring peace to the area and would not provoke Israeli retaliation.

The deployment halted savage fighting between the Syrian-allied Syrian Social Nationalist Party and Hezbollah, or Party of God, an extremist Shiite faction backed by Iran. The confrontation took 23 lives, left 129 wounded and 15 missing, according to police.

The fighting was touched off by the murder of two SSNP leaders a day after they were kidnapped by Hezbollah militants in Mashgara last Wednesday. The SSNP brought in reinforcements to ring the town and then storm it behind sustained mortar and rocket barrages.

The two factions have long been ideologically at loggerheads.

POLL

(Continued from Page One) gained support in all principal areas of activity. To the question: "Is the government succeeding or not succeeding we have the following:

	Aug. 1985	March 1986	May 1986
Economy	31	61	69
Social welfare	31	29	38
Defence	56	68	69
Foreign policy	48	61	67
General opinion of the government	35	51	61

Despite Yitzhak Moda'i's replacement as minister of finance by Moshe Nissim, the number of those who thought the government was succeeding, or mainly succeeding in economic policy reached an unprecedented 69 per cent, and a similarly large increase was recorded in foreign policy. Only in defence was there no solid increase, possibly reflecting problems related to recent security mishaps. Nevertheless, support of

the government's performance in this area remained very high. On the other hand, though there was a gain in public approval of performance in social welfare, in the May poll only 38 per cent thought the government was doing well in this area.

The high level of public approval was reflected in the performance ratings of key ministers. The percentages giving good ratings to ministers in their jobs in recent surveys were:

	Aug. 1985	March 1986	May 1986
Shimon Peres, Prime Minister	62	74	79
Yitzhak Rabin, defence	65	71	73
Yitzhak Navon, education	55	—	61
Yitzhak Shamir, foreign affairs	48	51	59
David Levy, housing	48	37	43
Ariel Sharon, industry and trade	36	31	36

The generally improved ratings of the government and the key ministers did not reflect itself in support

for individual parties or groups of parties. These patterns have remained stable over the last year.

	Knesset 1984	Aug. 1985	March 1986	May 1986
Labour (incl. Yabadi)	39	39	42	40
Likud	36	22	23	24
Religious parties	10.5	8	9	10
Others	14.5	29	26	26
Shas	2.5	2.5	2.5	2.5
Agudat Yisrael	2.5	2.5	2.5	2.5
Mapam	—	1	1	1.5
Liberal Center	—	1	1	1
Others	3	4	4	3
Undecided	—	—	—	—

The unveiling of the tombstone of HADASSAH, VISCOUNTS SAMUEL will take place on Tuesday, June 17, 1986 at 4 p.m. at the cemetery in Har Hamenuhot, Givat Shaul, Jerusalem. The Family

In deep sorrow we announce the passing of our beloved father and grandfather AARON DAVID ז"ל in Bombay on June 13, 1986 His children: David, Ruby, Norah, Ralph, Joshua, Sion, Lizzy, Susan Juliette, Ramona and all his grandchildren

A year after the passing of my beloved wife, our dear mother and grandmother ETHEL ALTMAN ז"ל we will hold a memorial meeting on Wednesday, June 18, 1986 at 5:30 p.m. at the Kfar Shmaryahu cemetery. The Family

The Israel Bond Organization deeply mourns the passing of Dr. MAURICE A. JAFFE ז"ל and expresses condolences to the family.

On the thirtieth day after the passing of our beloved Dr. AKIBA GERHARD AYALON ז"ל we will hold a memorial service and tombstone unveiling ceremony on Wednesday, June 18, 1986 at 4 p.m. at the Kfar Samir cemetery, Haifa. Transport will leave at 3:30 p.m. from the residence of the deceased, 39 Rehov Yotam, Haifa. We extend our thanks to all who conveyed their condolences. The Family 00155-23-724

'Pravda': Some Chernobyl workers still 'on the run'

Top directors fired as 'irresponsible'

MOSCOW (AP). — The Chernobyl power station director and other senior officials have been fired for "irresponsibility" during the April 26 nuclear disaster, and some workers remain "on the run," *Pravda* said yesterday.

It was not clear how many officials were dismissed, who fired them or when the dismissals occurred. But the Communist Party daily criticized by name five top managers, as well as the head of the station's Komsomol Youth organization and the trade union leader.

The report is the first to announce dismissals related to the accident, which has claimed at least 26 lives and sent hundreds to hospitals with radiation sickness. More than 100,000 people have been evacuated from contaminated areas in the northern Ukraine and southern Byelorussia as a massive clean-up continues.

It was not clear from the report whether the management shortcomings could have caused or contributed to the accident, but *Pravda's* references to inadequate work and living conditions suggested the problems were evident prior to the accident and after it.

The exact cause of the No. 4 reactor explosion and fire has not yet been disclosed. A government re-

port on the accident is to be presented by August 25, the Soviet representative to the International Atomic Energy Agency said in Vienna on Friday.

New management of the four-reactor power station was discussed at a recent meeting of the Kiev regional Communist Party committee, *Pravda* said, noting that "previous directors have been released from their posts." The newspaper did not say when the firings occurred.

A report last Wednesday in the Ukrainian newspaper *Pravda Ukrainy* mentioned a new director for the power station, E. Pozdyshev, but gave no indication why the change was made.

The labour newspaper *Trud* also referred a week ago to a new construction department director, Vladimir Gora, without explaining what happened to his predecessor.

The former director of the nuclear power station, V. Bryukhanov, and senior engineer N. Fomin failed to provide correct, firm leadership and inspire the necessary discipline in the difficult situation created by the accident, and showed irresponsibility and lack of control," *Pravda* reported yesterday.

"They could not give an evaluation of what was happening or take

the essential measures to organize operations in all sections (of the plant) to offset the consequences of the accident," the newspaper said.

As a result of these shortcomings in organization and training, a portion of the workers of the nuclear power station are still "on the run," *Pravda* said. "They include shift supervisors and senior operators."

The newspaper said Pozdyshev was named to replace Bryukhanov as station director, but no other appointments were mentioned.

Citing examples of dereliction of duty, *Pravda* said, "In the most difficult moment, deputy director of the NPS (nuclear power station) R. Solovyev abandoned his post; deputy directors I. Tsarenko and V. Gundar did not fulfil their responsibilities and did little to ease the working and living conditions of station workers."

But it praised the station's party leader, S. Parashin, who it said appeared before the regional party committee and was "self-critical and courageous."

The delicate reference to shortcomings in the party organization contrasted with the clear criticism dealt senior officials and workers at the station. *Pravda* said Chernobyl's trade union leader received a "justified reproach" at the party meeting.

Kohl hangs on as Saxony holds election

HANOVER (AP). — The governing Christian Democratic Party lost support but stayed in power in Lower Saxony state elections yesterday, boosting Chancellor Helmut Kohl's chances for re-election next year.

According to early computerized returns shown on West Germany's ARD television network, the Christian Democrats received 44.5 per cent of the vote in Lower Saxony, a considerable drop from 50.7 per cent four years ago.

But their ally, the Liberal Free Democratic Party was polling 5.8 per cent, allowing Christian Democratic governor Ernst Albrecht to stay in power by forming a coalition with the small party, mirroring the national coalition government in Bonn.

The opposition Social Democrats were taking 42.2 per cent, ARD said. The radical environmentalist Greens polled 7 per cent in the early results. In the last election in 1982 the parties polled 36.5 per cent and 6.5 per cent respectively.

The outcome meant the Christian Democrats and Free Democrats would have 78 seats in the state parliament, just one more than the opposition Social Democrats and the Greens combined.

Fifa fines Uruguay for misconduct

MEXICO CITY (AP). — The International Soccer Federation, FIFA, on Saturday fined the Uruguayan Soccer Federation 25,000 Swiss francs (\$12,000) and banned its coach from the bench for one match following "ungentlemanly conduct" in Friday's game against Scotland.

FIFA vice-chairman Hermann Neuberger said the Uruguay team had also been threatened with possible expulsion from the rest of the World Cup, if there is any repetition of Friday's behaviour by its players or officials.

In addition, said Neuberger, the Uruguayan Federation had been officially cautioned, and Borras personally warned as to his future conduct.

Uruguay, who qualified from Group E despite failing to win a single game, have earned widespread condemnation here for their violent style of play. The team have already lost two players — Batista and Victor Diogo, who has collected two yellow cards — for the Argentina game today, although they will have Miguel Bossio back. Bossio was sent off against Denmark.

Despite the warning, the Battle of the River Plate, today between bitter South American enemies Argentina and Uruguay promises to be a bloody combat, with no holds barred.

The eyes of the world will be on the Cuauhtemoc Stadium, when the countries meet in a second round match which has all the makings of another 90 minutes to drag the name of football into the gutter. None other than Argentine superstar Diego Maradona has already set the tone by saying: "Uruguayan soccer has always been rough and that won't change now."

The earlier game at 9 p.m. is between Brazil and Poland. In an apparent disciplinary action following the 3-0 loss to England, five Polish players were not summoned for this match.

Manager Antoni Piechniczek said the five will be left sequestered in Bahia Escondida when the team goes to Guadalajara for the match against Brazil.

Although Brazil moved up a class immediately when Zico appeared for the last 20 minutes of their final Group D qualifying game against Northern Ireland, the great man will again watch the kick-off from the substitutes' bench. While some say coach Tele Santana is being over-cautious, the sight of a fresh Zico appearing after an hour could be a shattering blow to the Poles' morale.

Zico will almost certainly come on at some stage of the game, and, if he proves his fitness, he may play from the start in the quarter-finals — assuming the Poles are overcome — with Junior returning to his original left-back role at the expense of Branco. With a rejuvenated Socrates rolling back the years in midfield, Poland may find it difficult to settle into their traditional pattern of close passing and sudden high-speed attacks.

But Brazil are not underestimating Poland, who have finished third twice in the last three World Cups, and Zbigniew Boniek, Dariusz Dziekanowski can expect to come in for some atypical close marking from Brazil's defensive midfielders Elzo and Alameo.

Another Latin American coach, Paraguay's Cayetano Re, was also fined after being dismissed from the bench for dissent during his team's 2-2 draw with Belgium.



GOAL! — Mexico's Mannel Negrete screams with delight as he scores a brilliant goal against Bulgaria yesterday. Mexico won 2-0. (Reuters)

Gulf states worried as Iran hits tanker near UAE coast

BARHAIN (Reuters). — Concern mounted yesterday over oil traffic in the southern Persian Gulf after shipping sources reported an Iranian attack on a Greek tanker some 15 km. off the coast of the United Arab Emirates.

The 38,629-ton Liberian-registered Koriana, disabled in the attack by an Iranian helicopter Saturday, was under tow to the port of Dubai with an unexploded missile on board, the sources said. No injuries were reported.

About one-sixth of the non-Communist world's oil passes through the Strait of Hormuz at the mouth of the Gulf. Saturday's attack is the closest yet to the Hormuz and the nearest to the coastline of the Arab gulf states.

None of the 23 mainly Greek crewmen aboard the Koriana was hurt.

The attack was the first attributed to Iran since May 9.

Iran has gradually widened the area of its raids since it started attacking ships using gulf Arab ports more than two years ago.

To avoid Iran's daytime attacks, ships have been travelling at night through the danger zone in what one source said resembled an "unofficial convoy." They anchor off the UAE and then proceed into the northern gulf, hugging as close to the land in the shallow waterway as they feel is safe.

Tanker operators say they are braced for further Iranian attacks in the next few days.

Reagan calls on Soviets to start talks on summit

WASHINGTON (Reuters). — President Reagan has written to Soviet leader Mikhail Gorbachev suggesting a high level meeting as soon as possible to plan a second summit, senior administration officials said yesterday.

The letter, described by one official as "conciliatory," was delivered recently through U.S. Ambassador Arthur Hartman in Moscow, they said. The U.S. Embassy in the Soviet capital yesterday declined comment on the report.

The officials in Washington, who asked not to be identified, declined to give details but said the message proposed an early meeting somewhere in Europe between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze.

The two were to have met in mid-May to prepare for a summit in the U.S. this year, but Moscow postponed the session after the April 15 U.S. air strike against Libya.

Reagan and Gorbachev agreed at last November's summit in Geneva to meet again in the U.S. this year and in the Soviet Union in 1988.

Reagan has said summer would best suit him for the next summit, otherwise it would have to be held in autumn after the U.S. congressional elections.

Moscow unofficially put forward a September date, but Reagan rejected it. The president and other U.S. officials have adopted the position that Gorbachev had accepted Reagan's invitation and should now go through with it.

Turkey creates artificial lake on Euphrates

ANKARA (Reuters). — Water began to flow yesterday into what will become a vast artificial lake behind the Karakaya dam in south-east Turkey, the Anatolian news agency reported.

The dam and new lake are part of a huge hydro-electricity and irrigation scheme which is causing concern in neighbouring Syria over the flow of the Euphrates River, already re-

duced by the existing Keban dam, upriver from the Karakaya.

The lake behind the Karakaya will cover 300sq. km. Its 2,400-megawatt power plant is due to start up later this year. The cornerstone of the Anatolian project will be the massive rock-filled Ataturk dam being built further downriver on the Euphrates and due for completion by 1993.

Soviets trying accused Treblinka war criminal

SIMFEROPOL, USSR (AP). — In a workers' club-turned-courtroom, Fyodor Fedorenko, 78, the first accused war criminal extradited from the U.S. to the Soviet Union, is being tried for his alleged role in the murder of some of the 800,000 people at Treblinka. He served as a guard at the concentration camp in 1942-1943.

Three witnesses have testified that

they saw Fedorenko beat Jews on the way to the gas chambers at Treblinka's railway station. The 78-year-old defendant, who was deported from the U.S. in 1984, has denied these charges. If convicted, he faces the death penalty.

The chief judge has stressed the theme that Fedorenko was a traitor to the Soviet Union, since he worked for the Nazis.

Hu personifies communism, Chinese-style, on Bonn visit

By WLADIMIR STRUMINSKI
Jerusalem Post Correspondent
BONN. — It does not really show on him, at least not immediately. His face does not bear the expression of a man utterly conscious of his own importance. He underlines his words with far-reaching gestures. His body, though small, is full of energy, his step self-assured. When he stops to answer a question or turns to return a greeting, he does so with a swiftness surprising in a 71-year-old. He might be a successful merchant in Hongkong, or a German East Asia expert.

Hu Yaobang is not a Hongkong merchant, however. He is secretary-general of the Chinese Communist Party, making him one of the most powerful rulers over a nation of one billion people.

Last weekend, Hu spent two days in Bonn while on a tour of a number of European countries. As a guest of both the West German government and the opposition Social Democratic Party he held talks with leading government politicians, including

Chancellor Helmut Kohl and the Social Democrat Party Chairman, Willy Brandt. He invited West German executives to do business with China.

In striking contrast to his Soviet counterparts, Hu did not try to portray China as a country that lacks virtually nothing and does the ugly capitalist favour by the very fact of talking to them. The guest from Peking did, however, display self-consciousness while speaking freely about his country's problems. On Friday, he told representatives of German industry that modernizing China may take scores, maybe thousands, of years.

Later, while he was making small talk with Brandt about the World football championship in Mexico, Brandt expressed the hope that China be represented at the next championship. Hu's smiling reply: "We are readying ourselves in this respect for the next century," in keeping with the Chinese intellectual tradition of taking a long view both of the past and the future.

Hu indicated that there were national values that the Chinese would not sacrifice for the sake of speeding economic development. "Every country should rely in its development mainly on its own people, as well as on its financial and material resources. This is even more true of a large country with a population of a billion," he said. Hu promised that China would not backtrack from its policy of opening up to the outside world.

Hu was anything but stiff in his behaviour. He smiled, laughed and joked. "The Chinese were very reserved during the Mao era," a German political observer remarked. But he ascribed this to ideology rather than national character. "The Chinese are not reserved at all."

The strict rules of hierarchy and honouring elders and superiors still obtains. This becomes clear even in small things. Sitting behind Hu at the head table at the dinner with German industrialists was a young Chinese interpreter. When the party leader rose to his feet to deliver his

lecture, the interpreter rushed forward to pull back Hu's chair. When Hu returned to his seat, the interpreter was again there to push the chair — despite the obvious fact that the energetic Hu did not need such assistance.

China wants an active and strong Western Europe both as a strategic counterweight to China's powerful northern neighbour, the Soviet Union, and as a trading partner. There was, however, another message in Hu's visit, however implicit. If China succeeds in modernizing its economy and society, it will itself become a superpower, while retaining its Chinese character. The rest of the world will have to learn how to deal with it.

Sino-Philippine talks

PEKING (APF). — Philippines Vice-President and Foreign Minister Salvador Laurel arrived in Peking yesterday for three days of talks with Chinese leaders on "bilateral relations and international issues of common interest," the New China News Agency reported.

A Philippine diplomatic source said that Laurel's visit to China was related to Manila's search for economic assistance to help revive the country's battered economy.

NEPAL. — Marich Mar Singh Shrestha, 44, a former high-school teacher, was sworn in yesterday as Nepal's new prime minister after being elected earlier in the day.

300th game eludes Sutton

NEW YORK (AP). — Don Sutton failed to win his 300th game on Saturday, but otherwise the afternoon went just right for the California Angels.

STANDINGS

National League

East Division	W	L	Pct.	GB
New York	41	16	.719	—
Montreal	31	26	.544	10
Philadelphia	28	29	.491	13
Pittsburgh	24	33	.429	16½
St. Louis	24	34	.414	17½
Chicago	24	35	.407	18

West Division	W	L	Pct.	GB
Houston	35	25	.583	—
San Francisco	32	28	.533	3
Atlanta	30	32	.484	6
Los Angeles	29	31	.483	6
San Diego	29	34	.464	10½

Saturday's Games: Cincinnati 2, Atlanta 1; New York 5, Pittsburgh 1; St. Louis 1, Chicago 0; Philadelphia 7, Montreal 6; Houston 7, San Francisco 3; San Diego 12, Los Angeles 6.

American League

East Division	W	L	Pct.	GB
Boston	40	20	.667	—
New York	37	24	.607	3½
Baltimore	34	28	.576	7½
Minnesota	31	28	.523	8½
Cleveland	30	29	.508	9½
Toronto	30	32	.484	11
Detroit	27	31	.466	12

West Division	W	L	Pct.	GB
Texas	34	26	.567	—
California	31	30	.508	3½
Kansas City	30	31	.492	4½
Oakland	26	36	.419	9
Chicago	25	35	.417	9
Minnesota	24	37	.395	10½
Seattle	24	39	.381	11½

Saturday's Games: Milwaukee 2, Boston 0; New York 4, Baltimore 2; Minnesota 9, Cleveland 3; Oakland 3, Texas 2; California 6, Kansas City 5; Toronto 6, Detroit 5; Seattle 7, Chicago 3.

Israelis aim at Wimbledon

By JACK LEON
TEL AVIV. — Shlomo Glickstein and Shahar Perkis are both among the 128 tennis players in the Wimbledon singles qualifying tournament starting today, with the 16 quarter-finalists going through to the main Wimbledon Championships. Amos Mansdorf has been accepted straight into the main draw for the first time.

Perkis, still awaiting the results of his just-completed medical checkup in Cologne, reached the second round at Wimbledon in 1984 after qualifying as a "lucky loser."

(Edmond head Nigam 52 in the Davis Cup, and will host their next round tie against Israel from July 18-20.)

Unruly crowd taunt Norman

SOUTH HAMPTON, New York (AP). — Australian Greg Norman, disturbed by taunts from an unruly gallery just when he seemed ready to run away with the tournament, shot-gained his composure and a one-shot lead on Saturday after three rounds of the 86th U.S. Open Golf Championship. He leads with 210, followed by Lee Trevino and Hal Sutton on 211. Bob Tway is on 212.

"It was like being at a hockey match or a football game," Norman said. "There's no reason for them to yell those type of things."

Someone shouted "Choke!" at Norman, who later went to the gallery ropes to shake his finger at a man in the crowd.

Run for peace

Interns for Peace, a group working for the furthering of Arab-Jewish cooperation, are organizing a marathon today at Shfar'am in Galilee to promote cooperation between Jews and Arabs. Runners of all ages and capabilities will follow a route from the municipality of Shfar'am and back. Participants can run from one kilometre to ten. The starting time is 5 p.m.

Moss makes 108

A magnificent 108 scored out of a total of 155 by opening batsman Dov Moss failed to save Israel from a crushing defeat by Fiji over the weekend in their opening match of the third quadrennial mini world cricket cup taking place in the English Midlands.

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Tiberias, 10 Hayarden St., Tel. 067-22669, 20550, 20330

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in Kiryat Shmona

Foreign books a hit at Arab fair

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

Thousands of books from major Arab publishing houses in neighbouring countries and in Europe are being offered at the Arab Book Fair, the highlight of the annual Arab Culture Week that was opened last night by Education Minister Yitzhak Navon at the Beit Hagefen Arab-Jewish Centre in Haifa.

Books were brought, through Cairo, from Algeria, Kuwait and Tunis, and via the Jordan bridges from Lebanon, Syria and Jordan.

The local censor spent two days at the centre going through titles and banning "a few, mainly from Syria" from sale to the public. "But we can offer them to the universities or keep them for perusal of students at the

centre," said centre director Zvi Israel.

A large number of children's books were imported from the Stampa Press in Milan, which publishes superior reading matter for youngsters in the Arab-speaking countries. From Switzerland came several copies of four Arabic encyclopedias.

"Whatever is not sold, and usually little remains, we keep at the centre," said centre director Israel.

The culture week, which actually lasts a fortnight, has once again shown up "the lack of an infrastructure for professional training in Arab music and drama in Israel," Israel regretted. "There is no Arab music conservatory to train serious players of Arab-style music in the whole of Israel. I think we need

one," he said.

"We did not want to engage a wedding band for a culture week, but there wasn't a serious Arab orchestra in the country. The only one playing real Oriental music, is the Kol Yisrael ensemble and its players are mainly Jewish."

Similarly, there is no Arab drama school, aspiring Arab actors attend the Beit Zvi school in Ramat Gan. "By the time the actors graduate they have to learn Arab diction if they want to perform in Arabic. In fact, they usually join Hebrew theatres," said Israel.

Although "few Israeli Arabs are interested in the plastic arts," he continued, it would be worth training those who are, in order to keep the tradition going.

Just how 'empty' was pre-state Palestine?

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — A controversial book about the pre-state population of Palestine, pooh-poohed by scholars as non-academic and the object of furious debate in the press, insinuated itself into the learned discussions on "Palestine. Population and Immigration - 1840-1948" at the University of Haifa last week.

Though the author, American journalist-writer Joan Peters, did not attend, her book *From Time Immemorial* certainly made its presence felt. Released in the U.S. about two years ago and now in its eighth printing, it is due to appear shortly in Hebrew translation. In it, Peters portrays Palestine as a country virtually without inhabitants until the economic growth that accompanied Jewish immigration drew in Arabs from surrounding areas — with the connivance of the Mandatory authorities. There was general agreement among the scholars that while the country had not been empty as Peters described it, Jewish settlement stimulated the economy, benefiting the local Arabs and attracting Arab immigration from neighbouring lands.

A Hebrew University geographer, Prof. Yehoshua Ben-Arieh, held that the four districts, or sanjaks, that made up that part of the Ottoman Empire roughly corresponding to what later became Palestine under the British Mandate, had a population of about 350,000 in 1870, as well as about 25,000 Beduin.

In 1870, the Jewish population, living exclusively in cities, totalled about 18,000, growing over the next decade to 27,000.

He noted that Peters put the population for 1870 at only 100,000, but, he noted, "she did not define the area she took into account as Palestine."

Prof. Justin McCarthy, chairman of the history department of the University of Louisville in Kentucky, put the population of Palestine in 1878 as 425,000. Of these, 360,000 were Moslems, 45,000 Christians and 19,000 Jews. But he noted that the Ottomans counted only those Jews with citizenship.

McCarthy, an expert on the demography of the Ottoman empire, said he had no figure for those who had preferred to retain the citizenship of their countries of origin.

Then he took his stab at Peters, saying she "exaggerates the number of Jews in the country at the time and reduces the number of Arabs. But she does not quote good sources, is not an expert on Ottoman history and does not know demography."

Her figures have been cited by American Zionists; he added "and now that they are being disproved they will hurt Israel in the long run, because critics will say, 'you lied about this, you probably lie about other things too.'"

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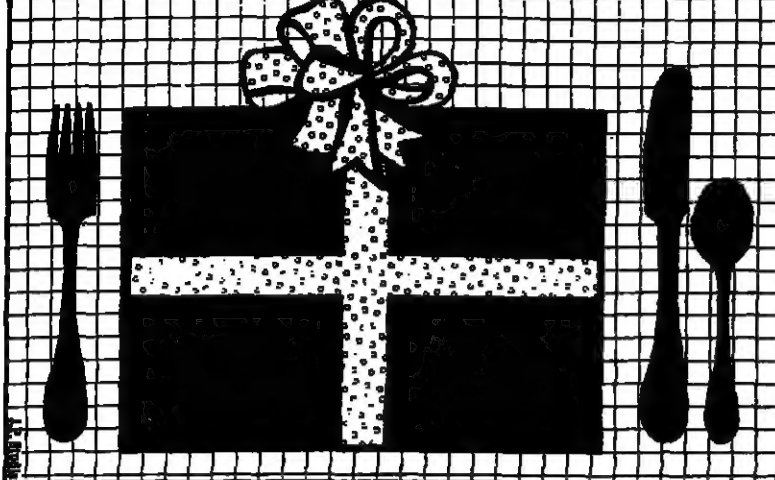
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SAVE WATER!

HOSE WITH A BUCKET



Expert fears epidemic of teen anorexia

By LEA LEVAVI
Jerusalem Post Reporter

TEL AVIV. — One teenage girl a week on average is hospitalized at Beilinson Hospital with anorexia nervosa, and nationally the disease is assuming epidemic proportions, according to Dr. Cynthia Karel, a child psychiatrist.

Speaking yesterday at a press preview of an international congress on family therapy to be held in Jerusalem next week, Karel said that the fashionable preoccupation with slimmness has led to a sharp increase in anorexia nervosa.

"When I started out in the profession, the disease was rare and exotic," said Karel. "Today, it is all too common, and mothers whose own efforts at weight-loss are frustrated decide to 'help' their teenage daughters by giving them less to eat. They forget that teenage girls need more food, not less, than they did in childhood." If not treated in time, she added, anorexia can be fatal.

Next week's congress is being organized by the Israel Association for Family Therapy, an interdisciplinary group of social workers, psychologists, school counsellors, teachers and nurses.

In addition to anorexia, the congress will discuss divorce, suicide, helping a family in which someone has a serious illness or disability, and working with families of psychiatric patients. The congress will be held at the Laromome Hotel from June 22 to 25 and is expected to be attended by more than 150 visitors from 24 countries and some 350 Israelis.

Raped by a friend

HOD HASHARON (Itim). — An 18-year-old woman told police on Saturday night that she had been bound and raped by a friend she had been visiting.

Murder indictment

NAZARETH (Itim). — The district court here yesterday indicted Uri Dror, 36, for murdering his wife and trying to make it look like a traffic accident.

Women coming from 12 countries to make beautiful music together

Jerusalem Post Reporter

BEERSHEBA. — The first International Women's Music Festival will open here on June 22 with an outdoor midnight performance of Pauline Oliveros's *Echoes from the Moon*, the festival's organizer, Liora Moriel, said yesterday.

Moriel, a reporter for *The Jerusalem Post*, said that 40 women from a dozen countries, including India, Finland, Romania and Greece, are scheduled to participate in the week-long "celebration of women's musical creativity."

The festival is unique because the artists are not coming merely to perform, but to share, said Moriel. "They are coming for the whole week at their own expense and will have an opportunity to meet not only a new audience but also other creative women in their field."

Dedicated to cellist Jacqueline du Pré, the festival is planned as a "musical happening" that will span 4,000 years and a variety of styles: classical, jazz, pop, folk and avant-garde.

"Not only is the music itself interesting and largely unknown, but we also provide exotic locations," said Moriel. Oliveros, for example, will present her audience-as-instrument creation *Echoes* outdoors: first at Danny Karavan's Negev Memorial sculpture and then at the Har Hanegev Field School at Mizpe Ramon, as part of the "Magical Night in the Desert" marathon that will last from sundown June 27 until dawn.

Gisele Buka Ben-Dor, who has just won the Bartok Prize in Budapest, will conduct the Israeli Sinfonietta Beersheba in two Israeli premieres and an international premiere of 11-year-old Dalit Warshaw's *Ruth*, which was written especially for the event.

The other pieces on the first full night of the festival, June 23, are Clara Schumann's piano concerto with soloist Virginia Eskin and Liana Alexandra's Symphony No. 4. Alexandra, who is from Romania, is due to attend.

With an operating budget of less than \$20,000, the organizers have managed to put together — with the help of volunteers — a busy schedule of 30 popularly-priced events.



Israeli rocker Corinne Allal.
(Miki Gornalsky)

"Our aim is to reach as wide an audience as possible," Moriel said, adding that many events would be free. In addition, all events will be accessible to wheelchair.

"There will be variety and it will be lots of fun because we don't think that quality must necessarily be a matter for an elite minority," Moriel said. "Music, as the universal language, speaks to everyone, and here we want it sung out loud."

The jazz evening will be held at the Desert Inn Hotel on June 24 and will include Josée Léandre from France; Chris-Cross, a piano jazz quartet from Austria; Liz Magnus with her North African Jewish prayer music set to jazz; and Maria Brodsky from New York, accompanied by members of Jerusalem's Tofa'ah band.

Baram re-elected Labour secretary

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV. — MK Uzi Baram was yesterday re-elected secretary-general of the Labour Party at the first meeting of the party's new central committee. Baram, who was elected unanimously, has served as secretary-general for the past two years.

The new central committee consists of 1,209 members, with an additional 50 members likely to be added

gr-Baram's discretion. Baram, who intends to allow the participation of 35 non-voting party veterans who failed to be elected to the new committee.

Fullly 44 per cent of the committee members are new, and 17 per cent are under the age of 35. The intra-party affiliations of many of the new members are unknown, a fact which will undoubtedly add some drama to the proceedings when the central committee meets to elect the party's Knesset list for the next elections.

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New urban sites set for Beduin

By LIORA MORIEL
Jerusalem Post Reporter

BEERSHEBA. — After years of debate, the Agriculture Ministry has decided to keep its promise to the Negev Beduin of Tel Mahata and set up two townships in Hura and Lagiya. In the past, the ministry's director-general, Meir Ben-Meir, had opposed the plan for security reasons, to avoid the integration of the southern Beduin with Hebron Arabs.

Ben-Meir was conspicuously absent from yesterday's ceremonies at the two sites, which are at present inhabited by 2,000 people, according to estimates by Green Patrol commander Alon Galili. But a ministry spokesman told *The Jerusalem Post* that "now that the minister has decided to set up the two townships, Ben-Meir must accept it."

The townships will have a combined population of 15,000. The Post was informed.

Agriculture Minister Arye Nehamkin said that the scheme was the fulfilment of assurances given to Beduin who evacuated the Tel Mahata site to make way for the new Negev air base; that Hura and Lagiya would be authorized as urban areas; and that a new Beduin affairs unit would begin work immediately.

The Beduin expressed reservations about the new scheme. "We have paid with that which is dearest to us — land," said Sheikh Halil Abu-Rabia. "It was difficult to leave Tel Mahata because both Hura and Lagiya were closed to us. I don't know why. We left on the strength of a promise, and now we are left with only a promise."


Sheikh Ibrahim el-Amur said that the Beduin "have always preferred the national to our particular good, and now we want to take part in deciding our fate."

Nehamkin replied that the new unit would not begin its work until he had met again with Beduin representatives and worked out a plan acceptable to them.

"We must resolve the basic problem of land ownership," said Nehamkin. "We want to do this through negotiations, not through the courts. The only people who win in court are the lawyers."

TECHNION — ISRAEL INSTITUTE OF TECHNOLOGY

The 1986 International Board of Governors



Uzia Galil, Chairman of the Board

Technion Honours:

Professor Paul C. Lauterbur — Harvey Prize Laureate
Professor Benjamin Mazar — Harvey Prize Laureate

Ceremony: Wednesday, June 18, at 5 p.m.

Professor Anatole Abramam — Honorary Doctorate Recipient
Mr. Sidney Corob — Honorary Doctorate Recipient
Dr. Alan Hoffman — Honorary Doctorate Recipient
Professor Simon Ostrach — Honorary Doctorate Recipient
Dr. Arno A. Penzias — Honorary Doctorate Recipient
Dr. Norman Seiden — Honorary Doctorate Recipient
Professor Louis D. Smullin — Honorary Doctorate Recipient
Mr. Eugene Stearns — Honorary Doctorate Recipient

Ceremony: Monday, June 16, at 8.15 p.m.

Miriam Benjamin — Honorary Fellowship Recipient
Louis Benjamin — Honorary Fellowship Recipient
Maurice Commanday — Honorary Fellowship Recipient
Ruben Finkelstein — Honorary Fellowship Recipient
Henri Strosberg — Honorary Fellowship Recipient

Ceremony: Sunday, June 15, at 7 p.m.

Technion Dedications

Isidor Goldberg Electronics Centre and Brenner Family Energy Conversion Laboratory — on Sunday, June 15, 1986, at 11.00 a.m.
Bernhard and Leopold Turner Fund — on Sunday, June 15, at 12.30 p.m.
Barbara and Norman Seiden Chair in Computer Science and Alfred and Marion Bär Chair in Architecture — On Monday, June 16, at 12.30 p.m.
Heart System Research Centre and Pearl Milch Chair Plaque Unveiling — on Tuesday, June 17, at 8.30 a.m.
Seiden Animal Research Laboratory — on Tuesday, June 17, at 8.15 a.m.
Alexander (Sasha) Goldberg Road — on Tuesday, June 17, at 12 noon.
Sarasota Student Medical Laboratory — on Tuesday, June 17, at 2.30 p.m.
Franz Ollendorff Chair and Skillman Chair in Biomedical Sciences — on Wednesday, June 18, at 12.30 p.m.
Davidoff Library Fund Plaque Unveiling — on Wednesday, June 18, at 1.30 p.m.
Dedication of the new home of Technoda — National Museum of Science Planning and Technology — Hadar campus on Monday, June 16, at 5 p.m.

HOME NEWS IN BRIEF

New attache for trade with Egypt

Col. (Res.) Yosef Shabo was yesterday appointed to fill the long-vacant post of economic and trade attache at the Israel Embassy in Cairo.

Shabo's appointment, which was approved by a committee headed by Industry and Trade Minister director-general Yehoshua Forer, is aimed at strengthening economic ties with Egypt. Shabo, who is due to assume the post next month, was born in Egypt.

Mayors want press gag

The heads of 25 development towns have called for legislation to prevent publication of the names of mayors who have been arrested but not indicted, Israel radio reported last night.

The town leaders called on Union of Local Authorities chairman Dov Tavory to convene the union to discuss Ashdod Mayor Arieh Azulai's arrest, the report said.

Azulai was remanded in custody last week on charges of bribery and forgery.

Technion board meets

HAIFA. — The Technion's International Board of Governors convened yesterday to discuss budget, new units and chairs, and conferment of honorary fellowships, doctorates and the annual Harvey Prize.

SLA man killed by mine

METULLA. — A South Lebanese Army soldier was killed and three others were wounded when a roadside mine exploded yesterday near Bint Jbail in the security zone, an SLA spokesman in Marjayoun announced. SLA soldiers searched the area for suspects.

DRIVE CAREFULLY

Siege Mentality

South Africa Tightens the Vise On Black Dissent

By ALAN COWELL

WITH its newest and most draconian emergency decree, South Africa seemed to turn a corner last week, abandoning recent efforts to placate hostile outsiders and the restive black majority at home. Instead, as the state-controlled radio put it, the nation's white leaders were braced for "a showdown with the forces of anarchy and revolution" — presumably believing that the exclusion from society of black radical leaders and other activists would stem the anger they sought to articulate.

In the mood of crisis and defiance that followed Thursday's decree, and amid mounting pressures from Western supporters, President P. W. Botha declared: "South Africans will not allow themselves to be humiliated in order to prevent sanctions." "We are not a nation of weaklings," he added. "We do not desire it and we do not seek it, but if we are forced to go it alone, then so be it." (Pressure for sanctions, page 2.)

The national emergency decree gives the police and army total powers of arrest without charge and search without warrant. Curfews may be ordered. Areas may be sealed off. People who disobey orders of the security forces could, according to the Government Gazette, be shot. The courts may not intervene, and censorship of reporting on anti-Government activities became virtually total. Journalists were forbidden to photograph or make sound recordings of violent protests or the actions of the security forces.

Obviously, the emergency was proclaimed to avert violence tomorrow, on the 10th anniversary of the Soweto uprisings in which 570 people were killed. But the provisions went far beyond the anniversary. At least 1,000 activists, church figures and labor leaders were seized, reviving images of security police, white men in uniform armed with guns and whips, knocking at the door at midnight, bundling activists into waiting vans and police cells.

Circled Wagons

The Government's patience seemed to have snapped, after 20 months of violence in which more than 1,000 people have died, most of them black. The reflex was to revert to the laager, the Afrikaners' sym-

bolic defense of circled wagons.

Yet the decree raised far-reaching questions: Why resort to force, when force had failed to calm the violence that took root in the black townships in September 1984? How could Africa's wealthiest, most industrialized nation have crossed its latest and most repressive Rubicon, inviting deepened black anger and international ostracism, after a decade of relatively sweeping political advances? The answers seemed to lie in a tangle of ingrained reflexes among the Afrikaner elite, and in black dynamism that, having sensed a wavering of white resolve, was seeking the power Western democracies accord to majorities.

Enumerating his Government's reforms last week, President Botha mentioned the legalization of black labor unions, the inclusion of non-whites (but not the black majority) in the segregated Parliament, promises to restore black citizenship and the end of the pass laws that limited black movement.

'Inadequate' Laws

But converse interpretations were also possible. Certainly, nonwhites were brought into Parliament, but in a junior position and in a manner that further offended the more than 23 million blacks who are still barred from voting for the Government that controls their lives. The Botha reforms — and their shortcomings — seemed to have produced their own ferment, challenging the overall control that many Afrikaners see as the prerequisite for survival as a white tribe on a black continent.

"I am of the opinion that the ordinary laws of the land at present on the statute book are inadequate to enable the Government to ensure the security of the public and to maintain public order," Mr. Botha said, as he widened the already pervasive security legislation.

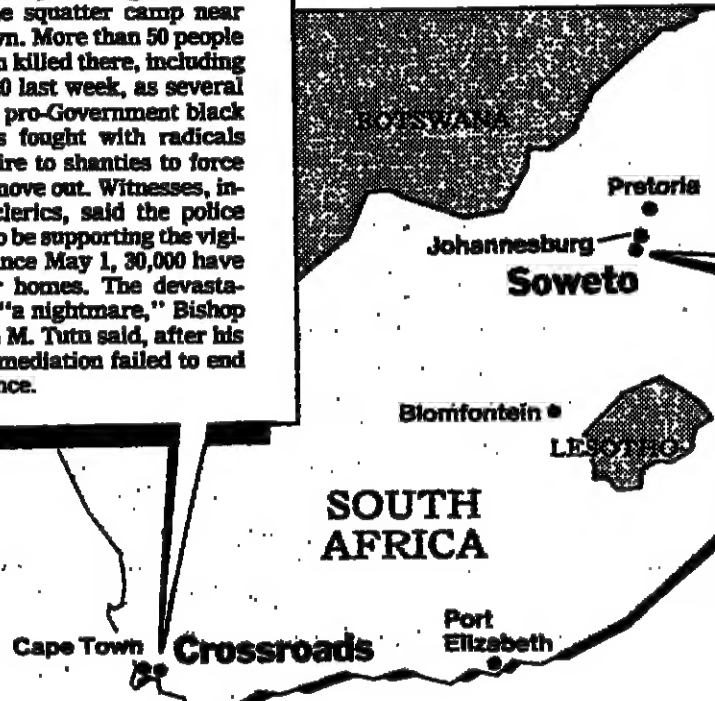
The new regulations, said Helen Suzman, a veteran white opposition legislator, constituted the most serious breach of civil rights South Africa had seen. "Practically all protest of any kind outside Parliament will be under threat," she said.

The Government gave precedence to other concerns. The scope of the new regulations seemed far wider than the partial decree affecting only some areas from July 1985 to March 1986. Since that decree was lifted, the authorities have cast themselves as facing the double threat of black



Township Turmoil

Security forces in armored vehicles are patrolling in Crossroads, the squatter camp near Cape Town. More than 50 people have been killed there, including at least 20 last week, as several thousand pro-Government black vigilantes fought with radicals and set fire to shanties to force them to move out. Witnesses, including clerics, said the police seemed to be supporting the vigilantes. Since May 1, 30,000 have lost their homes. The devastation was "a nightmare," Bishop Desmond M. Tutu said, after his effort at mediation failed to end the violence.



radicalism, which they equate with Soviet-inspired insurrection, and a new and harsh reaction among extreme right-wingers.

Some analysts say Mr. Botha has been stung by right-wing taints that accuse him of betraying Afrikaner interests and that, confronted with endemic violence, he has given free rein to those who seek the forceful solutions that have been the Afrikaners' hallmark. Last month, South African commandos, sabotaging an international effort at racial reconciliation, raided three black-ruled African countries. They were striking, South Africa contended, at the outlawed and exiled African National Congress. Then, Louis LeGrange, the increasingly powerful Minister

of Law and Order, outlawed all mass commemorations of the Soweto anniversary, further angering blacks.

The white rulers seemed to believe that the battle against their black critics was moving into a critical phase, threatening the future of the Afrikaners, who trace their history to Dutch settlers who arrived in the Cape in the 17th century.

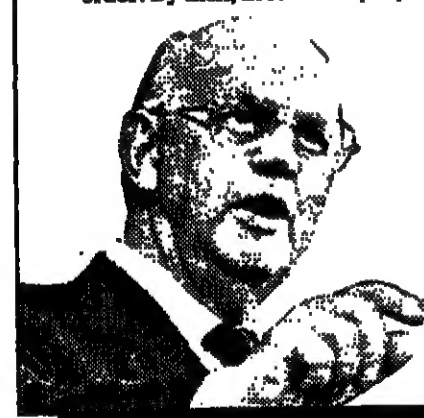
"We have seen clearly what happened in Angola, as well as in Vietnam, Nicaragua, Kampuchea, Afghanistan and Iran," Mr. Botha said, seeking to cast his battle in terms of East-West conflict. "We will consequently not allow our heritage of more than 300 years to be placed needlessly on the altar of chaos and decay."

Anniversary of an Uprising

FOR South Africa's blacks, the 10th anniversary tomorrow of the rioting in Soweto evokes memories of white police officers using automatic weapons, of hundreds dying. For its outnumbered whites, the outbreak on June 16, 1976, was a brush with rebellion, a setback for the Afrikaner culture.

It began with a school boycott, then a march by 10,000 students protesting Government orders to use the Afrikaans language, despised as a symbol of apartheid, in some of their classes. The police said they were provoked by blacks who dragged officials from their cars and set upon them with knives. South African journalists said the police started the violence, firing first with tear gas, then with bullets — on marchers who taunted them.

More than 1,000 policemen were sent into the enormous segregated township that supplies labor for Johannesburg. Damage from rioting and the burning of Government buildings, stores and buses totaled \$34.5 million at Soweto and spread to other black townships as well. As tensions rose, people once regarded as moderates brandished the clenched-fist salute of black power. Later, the authorities withdrew the controversial Afrikaans order. By then, at least 570 people had been killed.



President P. W. Botha

Agence France-Press

Good Words for Gorbachev, But Confusing Ones on Treaty

PRESIDENT Reagan spoke warmly of Mikhail S. Gorbachev last week as "the first Russian leader, to my knowledge, that has ever voiced the idea of reducing, and even eliminating, nuclear weapons." Mr. Reagan said he "might have goofed" earlier in the week when he lumped Mr. Gorbachev with Fidel Castro, Muammar el-Qaddafi and Yasir Arafat. His facts were off — virtually every Soviet leader has endorsed nuclear disarmament, in principle at least — but Mr. Reagan seemed hopeful of making a deal with Mr. Gorbachev, once they get in a room together. At a news conference, he also repeated his hope that the Soviet leader would agree on a date for a summit meeting in this country this year.

Mr. Reagan seemed less clear on whether the Administration had indeed abandoned the unratified 1979 treaty that set limits on each side's nuclear arsenals. His main thrust seemed to be that the United States would, as previously announced, exceed the agreed limits of the treaty, known as SALT II, when the 131st B-52 bomber is outfitted with cruise missiles late this year. But the President also said he would seek in the next few months to achieve a "break-through agreement on deep reductions in weapons." "We're

going to see if we cannot persuade them to join in the things they're talking about, arms control or arms reduction," he said. "And if nothing is done then we'll make the decision with regard to that plane."

If Mr. Reagan seemed to be leaving open the interpretation that the treaty might be saved, Larry Speakes, the White House spokesman, later shut it. "Let me state it exactly, so there is no confusion on SALT," he said. "The President's decision on May 27 means that the SALT treaty limits no longer exist."

Most of the NATO allies regard the retention of SALT II as essential to improving East-West relations. Last week, the House Foreign Affairs Committee voted, 29 to 11, to urge the President to stay within the treaty's limits. The Russians, too, have responded angrily to the threatened burial of SALT II, but that did not stop them from coming up with two new sets of arms-control proposals last week. In Budapest, the Warsaw Pact leaders proposed troop reductions by each side of 500,000 in central Europe by 1990. And in Geneva, Soviet negotiators suggested new limits on nuclear warheads. Secretary of State George P. Shultz described the proposals as "propagandistic" but said the fact that they were put forth was "a good sign."

— BERNARD GWERTZMAN

'Baby Doe' Ruling Is Another Setback for the White House

Abortion Is Affirmed, But in a Lower Voice

By STUART TAYLOR

THE Reagan Administration, which has been more aggressive than any recent predecessor in pushing its political agenda in the Supreme Court, met with two sharp setbacks there last week, in cases that raised profoundly divisive moral and ideological issues.

A narrow majority of the Court, spurning a highly unusual Administration request that it reverse itself and allow states to ban abortion, strongly reaffirmed its 1973 decision in Roe v. Wade that the Constitution guarantees a right to abortion. The Court also struck down the Administration's "Baby Doe" rules, which were designed to prevent parents and doctors from allowing severely handicapped newborn infants to die.

The vote to strike down a Pennsylvania law regulating abortion was 5 to 4. Because only two of the dissenters explicitly rejected the view that the Constitution protects abortion, the vote did not necessarily mean that four Justices would now allow states to prohibit abortions. But it the margin of support for abortion rights was narrower than at any time since the Roe case was decided by a vote of 7 to 2.

At the same time, the majority curbed more severely than ever before a state's power to regulate abortion, striking down some provisions resembling laws that

the Court had previously upheld.

Justices Byron R. White and William H. Rehnquist, the two dissenters in the Roe case, said last week that it should be overruled. The two other dissenters, Chief Justice Warren E. Burger and Justice Sandra Day O'Connor, did not go as far.

But Chief Justice Burger did shift his position significantly. A somewhat hesitant member of the original Roe majority who has dissented from what he considered unwarranted extensions of that decision, he said for the first time that "I agree we should re-examine Roe."

Justice O'Connor denounced the reasoning of Roe, as she had in a 1983 opinion, along with "the Court's unworkable scheme for constitutionalizing the regulation of abortion." But she declined to say whether she would overrule Roe fully. Her opinions seem ambiguous on whether states should be free to ban most abortions.

It is thus clear that the Court would allow states to restrict abortion — but unclear whether it would allow them to ban abortion — if President Reagan replaced any of the five majority Justices with someone who shared his views. Even if Roe were overruled, some states would presumably allow abortion, as New York and a few others did before 1973.

In striking down Pennsylvania's "informed consent" requirement and other provisions last week, Justice Harry A. Blackmun wrote in the majority opinion that some of them were designed to "intimi-

date women into continuing pregnancies." The dissenters said the law would pose no real obstacle to women seeking abortions. Justice White accused the majority of responding "defensively" by indiscriminately striking down regulations that were consistent with Roe.

In the "Baby Doe" case, the Court ruled that a 1973 law barring discrimination against the handicapped did not give the Federal Government the authority to intervene in sensitive decisions by parents under doctors' advice or to "conscript" unwilling state agencies as "foot soldiers in a Federal crusade." Justice John Paul Stevens's plurality opinion was hostile to what medical groups described as "Federal Baby Doe squads" descending on hospitals to investigate alleged discrimination against handicapped newborns. But the Court left open the possibility of some Federal role. And a 1984 Act of Congress, which was not before the Court, directs state child protective agencies that receive Federal money to take steps to prevent "withholding of medically indicated treatment" from handicapped newborns.

Another Social Policy Defeat

Last week's decisions followed the Court's unanimous and somewhat reproachful rejection of the Administration's effort to block thousands of mentally ill New Yorkers from suing the Government for cutting off disability benefits.

This has not been a winning month for Solicitor General Charles Fried, whose argument that the Court should overrule Roe was not supported by the State of Pennsylvania, but he hopes to fare better in some important cases to be decided before the term ends in late June or early July. He said in an interview that the Administration's role in the abortion case was "useful and proper" and may have contributed to the Court's consideration of "fundamental issues."

Noting that the Court had agreed with the Administration's reasoning in some significant cases this term, Mr. Fried said, "If they agreed with us every time, then I think that would be a fair sign that I was really only telling them what they thought already, and that wouldn't be much of a conversation."



Justice Harry A. Blackmun

The World

A Persistent Feud Flares Anew In Sri Lanka

It was hard to say last week how Sri Lanka's latest cycle of ethnic violence began. Depending on which side was talking, it began with the backing and shooting of 37 Tamil fishermen by the Sinhalese-dominated navy on Tuesday — or the bombing, presumably by Tamil militants, of two buses and a movie theater on Wednesday. As usual on the island, where the two ethnic groups have been at each other's throats, off and on, for three decades, the facts were murky but one truth seemed clear: no real peace is likely without a political solution, and no political solution is in sight.

The Government responded to the bombings by imposing a curfew in the northeastern port of Trincomalee, where the buses were blown up, and tightening security in Colombo, the capital, where the third bomb went off. The aim was to avert reprisals by Sinhalese, who killed hundreds of Tamils in 1983 in retaliation for a rebel ambush of Government troops. Later in the week, 47 Tamils were reported killed by men in army uniforms who burned a village. Hundreds of people have died in the fighting and terrorist attacks this year.

The Tamils, who say they have long been persecuted by the Sinhalese, make up 18 percent of the population of Sri Lanka, an island about the size of West Virginia off the southeast coast of India. Militant Tamils want to set up their own state in the north and east of the country.

Panama's Leader Is Under a Cloud

For geopolitical reasons of a high order, the United States and Panama "need each other," as Gen. Manuel Antonio Noriega, head of Panama's National Defense Force, recently reaffirmed. But whether Washington needs a friend like General Noriega seemed less certain last week. It was reported that American intelligence agencies have amassed evidence that portrays the de facto leader of Panama as a longtime double agent who supplies intelligence information to both Washington and Cuba.

What's more, according to senior officials of the State Department, White House, Pentagon and intelligence agencies, General Noriega has been involved in illicit money laundering, drug trafficking and gun running as well as the sale of restricted American technology to Eastern Europe. An especially harmful transaction, according to retired officials of the National Security Agency, was his purchase from an American Army sergeant and subsequent sale to Cuba in the 1970's of sensitive technical materials describing the security agency's electronic intelligence systems. In addition, the Defense Intelligence Agency has reportedly established a connection between General Noriega and the murder last year of Dr. Hugo Spadafora, a leading critic of Panama's army.



Gen. Manuel Antonio Noriega in Washington last week.

Commenting on the reports, General Noriega called the charges an action "against Panama." Secretary of State George P. Shultz said: "Activities of that kind are obviously of importance and concern to us." Elliot Abrams, the Assistant Secretary of State for Inter-American Affairs, agreed that "these are serious charges, but they have been around for a long time."

In the 1970's, officials rejected a proposal to assassinate General Noriega. The Reagan Administration and its predecessors have overlooked his criminal activities, officials said, because of his help to the intelligence agencies. He is said to have provided the C.I.A. with sensitive information on Nicaragua, and the use of bases for agents sent to Nicaragua as well as for United States electronic installations that monitor much of Latin America.

gences agencies, General Noriega has been involved in illicit money laundering, drug trafficking and gun running as well as the sale of restricted American technology to Eastern Europe. An especially harmful transaction, according to retired officials of the National Security Agency, was his purchase from an American Army sergeant and subsequent sale to Cuba in the 1970's of sensitive technical materials describing the security agency's electronic intelligence systems. In addition, the Defense Intelligence Agency has reportedly established a connection between General Noriega and the murder last year of Dr. Hugo Spadafora, a leading critic of Panama's army.

Contras Finally Free 8 Germans

They turned out to be at the wrong place at the wrong time, but were eight West German citizens captured in a remote corner of Nicaragua on the wrong side? Relatives say the four men and four women went to Latin America on a humanitarian mission and were building housing when the American-backed, anti-Nicaraguan rebels attacked the area last month and took them prisoner. The rebels, known as contras, said the West Germans were armed, although the West Germans denied it.

In any event, they remained captives for more than three weeks, embarrassing the West German Government of Chancellor Helmut Kohl and complicating its relations with the United States.

Rebel leaders asked that the Nicaraguans allow a neutral helicopter to take part in the release, permit the Red Cross to observe the operation and evacuate all its troops from the area. The Sandinistas refused, fearing that agreement might be interpreted as a measure of their acceptance of the contras' legitimacy.

Last week the diplomatic knot loosened, suddenly and surprisingly. The West Germans, along with 15 Nicaraguan civilians captured with them, were handed over to representatives of the West German Government near where they were captured. Doctors who examined them in Managua after their release said they were in good health.

A Conviction in Brighton Bombing

It was one of the most audacious plots against the British Government, coming "within an inch," the prosecutor said, of assassinating Prime Minister Margaret Thatcher and much of her Cabinet. Although Mrs. Thatcher was uninjured, the bomb that shattered a Brighton hotel during a Conservative Party conference in 1984 killed five people, including a Member of Parliament and a party official, and seriously injured 30. Last week, after five weeks of testimony and five hours of deliberations, a jury at London's Old Bailey convicted Patrick J. Magee, the accused leader of an Irish Republican Army cell. He and four others were also convicted of plotting other hotel bombings that were to have taken place in British resorts last summer.

The prosecution said the 35-year-old Mr. Magee, using an alias, had checked into Room 629 of Brighton's Grand Hotel well before the conference and planted a 20- to 30-pound bomb with an elaborate device timed to go off 24 days later. Investigators tracked him down, they said, through a partial set of fingerprints left on the registration form. When they were arrested in Glasgow last June, the police said, the defendants possessed enough explosives to make dozens of bombs. Mr. Magee insisted at the trial that he was innocent and that the police had made him a scapegoat to ease the crisis that followed the bombing.

The Thatcher Government, meanwhile, decided last week to disband the Northern Ireland Assembly. The 78-seat body was created in 1982 to bring together the province's Protestants and Roman Catholics, but the Catholics, who were outnumbered 2 to 1, boycotted the organization. "It has been clear for a long time," an official of Britain's Northern Ireland Office said, "that the assembly is a dead duck."

Mrs. Thatcher got some good news from Washington last week, when the Senate Foreign Relations Committee approved a revised treaty that will make it easier to extradite I.R.A. fugitives to Britain. The treaty is expected to win full Senate approval, perhaps this week.

Iranian Exiles Leave France

As the Ayatollah Ruhollah Khomeini well knows, those on the outs in Iran have often found a welcome in France. But last week there were reports that more than 1,000 members of the largest group opposing the Ayatollah, the left-wing People's Mujahedeen, had left their headquarters in suburban Paris for an area on the Iran-Iraq border, presumably to join anti-Government guerrillas the group says it maintains there. In a communiqué issued in London, the Mujahedeen said its leader, Massoud Rajavi, had arrived in Iraq in a private plane last week-end, hours after French police raided the group's offices to check identity papers.

French authorities insisted Mr. Rajavi's departure was "voluntary," but others said it was part of a French effort to normalize ties with Iran and help win the release of eight or nine Frenchmen being held hostage by pro-Iranian gunmen in Lebanon. The Iranians, in negotiations that began in March, have demanded that France expel Mr. Rajavi, repay a \$1 billion loan made to France before Shah Mohammed Riza Pahlavi's overthrow and end its support for Iraq in the six-year-old Persian Gulf war. The French have said they are prepared to make some concessions, although they say they will continue to support Iraq.

Milit Freudenheim, Richard Levine and James F. Clarity

An Electoral Rebuke to the Socialists



Kurt Waldheim with his wife, Elisabeth, and daughter, Christa, in Vienna last week after his election as president of Austria.

Waldheim Must Find an End to Austria's Bitterness

By JAMES M. MARKHAM

"T HANKS," say the cheery posters put up last week by the conservative People's Party, which sponsored Kurt Waldheim's triumphant presidential campaign. "And now back to the future."

This sentiment may be more easily proclaimed than enacted. The election of the former United Nations Secretary General to a six-year mandate signaled a profound upheaval in Austria's politics and national emotions. It poses dilemmas for the neutral nation as it turns from domestic preoccupations to the outside world.

Having stimulated xenophobic patriotism during the campaign, the 67-year-old President-elect backed back to a conciliatory line and promised to combat "all forms of anti-Semitism in this country." Two days before the election, he had stood on a platform with Alois Mock, chairman of the People's Party, who shouted a slogan with echoes of the Third Reich: Österreich über Alles!

Michel Cullin, a French expert on Austria, saw the softer postelection position as a harbinger of

"a great reconciliation mass" between the People's Party and the Socialists. "This is in keeping with a culture that does not like conflict," he said.

But for Austria's 6,000 Jews, most of them elderly survivors of Nazi death camps and their children, the international controversy over Mr. Waldheim's war record and the anti-Semitism that helped sweep him to office was a nightmare. "For me, the most terrifying thing was that the People's Party, which is a democratic party, has discovered that it can win an election with an anti-Semitic campaign," said Leon Zelman, a Jewish community leader. "And that the Socialists tried to save an election by being silent." The experience of the last three months has persuaded Michael Herscovici, a 22-year-old student, to emigrate. "The truth is they don't want to have us as Austrians," he said. "We are Jews and nothing more."

Silence From Yugoslavia

Erwin Ringel, a psychiatrist at Vienna University and author of a book called "The Austrian Soul," noted that the Waldheim campaign went through an extraordinary transformation. "It

started out saying that one should elect Waldheim because the world trusts him," he said. "And then it became: 'Elect Waldheim because the world is attacking him, hates him, is insulting him.'" As a candidate, the psychiatrist added, Mr. Waldheim "was an ideal identification figure for a lot of older people of his age, because he did his 'duty' in the Nazi time, he didn't see anything, didn't do anything, know anything."

He described the Austrian people as being "in a moment of irrational excitement, but if the criticism of Waldheim continues and they recognize that Austria's reputation has been harmed they will start to think about it."

The congratulatory telegrams from foreign leaders persuaded some Austrians that things would soon return to normal. But the withdrawal of Israel's Ambassador and the silence of the authorities in Yugoslavia — where Lieutenant Waldheim had participated four decades ago in the savage war against Tito's partisans — were disquieting hints that the new President might become a burden for this Alpine republic of 7.5 million people. Tourism and business executives worried that Austria might be cut off emotionally from much of the West, breeding resentment, isolation and introversion. Warm praise for Mr. Waldheim from Moscow and an anti-Zionist panegyric from Col. Muammar el-Qaddafi of Libya compounded these fears.

Unlike many outsiders, most Austrians perceived the presidential election not as a referendum on Mr. Waldheim's moral character, or their own relationship to the Nazi past, but as an intensely political event. His unexpectedly decisive victory was a stern rebuke to the Socialists, who have governed for 16 years and provided all postwar presidents until now. The Chancellor, Fred Sinowatz, resigned.

Some four years behind West Germany, Austria is shifting rightward as important sectors of the electorate yearn for looser state economic control, more scope for private initiative and an end to the pervasive, corrupt and stultifying party patronage system. Mr. Waldheim openly appealed to such yearnings, and his impressive 53.9 percent of the vote included a high proportion of young Austrians and partisans of the anti-establishment Greens movement. In selecting Finance Minister Franz Vranitzky, a 48-year-old former banker, to replace Mr. Sinowatz as Chancellor, the battered Socialists attempted to align themselves with the conservative mood in preparation for an uphill fight in next spring's parliamentary election.

Austria's big political parties both seem to have been playing with fires that got out of control. It was an aide to Chancellor Sinowatz — and only later the World Jewish Congress — who first delved into Mr. Waldheim's murky past. What looked like a nice political bludgeon, Mr. Waldheim's dissembling about his years in Greece and the Balkans, became a patriotic boomerang. Mr. Waldheim emerged victorious but with his international credibility in shreds. The ancient prejudices he stirred may make his triumph a pyrrhic one for Austria.

Commonwealth Group Steps Up Pressure on South Africa

For Britain, a Worrisome Partnership



Commercial connection

Top 10 British companies in South Africa by employment (as of June 1985)

Company	Number of South African workers
Consolidated Goldfields*	28,361
Barclays Bank*	26,234
Standard Chartered Bank*	22,542
Lonrho	10,617
Courtaulds	8,166
Pilkington Brothers*	7,616
Unilever	7,372
British Electric Traction	7,226
B.T.R.	5,482
Shell Transport and Trading	5,370

*primarily through an associated company

Source: European Economic Community

Associated Press

Prime Minister Margaret Thatcher meeting with Gen. Olusegun Obasanjo (left), former Nigerian head of state, and former Prime Minister Malcolm Fraser of Australia, members of the Commonwealth group, at 10 Downing Street last week.

By STEVE LOHR

"EACH trade agreement, each bank loan, each new investment is another brick in the wall of our continued existence," John Vorster, then South Africa's Prime Minister, declared in 1972. In its report last week to the 49-nation Commonwealth, a high-level panel called the Eminent Persons Group agreed with that assessment and in effect endorsed the use of economic sanctions against South Africa as a way to force it to change its policy of apartheid.

Unless apartheid is dismantled soon, the panel warned, the unrest and upheaval in South Africa might well accelerate into "the worst bloodbath since the Second World War." Said Malcolm Fraser, former Australian Prime Minister and the group's co-chairman: "Sanctions will give a real opportunity for a different course to be followed. We can't guarantee it, but it is the last possibility available to Western states, and as such we believe they ought to take it."

In Washington, the House Foreign Affairs Committee clearly agreed; it approved a measure that would impose a range of sanctions against South Africa. President Reagan, although still resisting sanctions, sent a message to President P.W. Botha sharply criticizing South Africa's new emergency measures. And in New York yesterday, sponsors of an anti-apartheid demonstration in Central Park estimated that 100,000 people had participated.

Although it did not call for specific steps or mention the word "sanctions," the Commonwealth report, made public just as the state of emergency was being proclaimed in Pretoria, intensified pressure on the Government of Marga-

ret Thatcher to accede to them, a course she also has resisted. Indeed, the Eminent Persons Group was set up as a compromise between the near-unanimous calls for sanctions from Commonwealth leaders and Mrs. Thatcher's lone opposition. She argues that sanctions are rarely effective, a contention she repeated last week. But British policy is also shaped by Britain's role as the principal foreign investor in South Africa and one of its major trading partners.

"Britain has far more at stake in South Africa than other countries," says John McQuiggan, executive director of the United Kingdom South Africa Trade Association, which represents British companies with interests in South Africa. His group says Britain's investments of \$9.1 billion in South Africa represent more than 40 percent of all foreign investment in the country and more than 7 percent of all British overseas investment.

Britain imports minerals, industrial raw materials and fruits and vegetables. In return, Britain sends to South Africa a range of manufactured goods including automobiles and machinery, sells a large volume of financial services there, and earns income from its considerable investments. Economically, "South Africa is still a British colony," one economist said.

\$5.9 Billion in 1985

The income last year from sales of goods and services to South Africa plus earnings from investments was \$5.9 billion, an amount that exceeds the Government's annual revenue from North Sea oil at current prices. More than 200 companies listed on the London Stock Exchange have operations or investments in South Africa, including Unilever, Barclays Bank, British Petroleum and Courtaulds. Estimates of the numbers of British workers dependent on trade with South Africa range from 10,000 to 250,000. They

tend to vary according to the sympathies of the group reporting them, with anti-apartheid organizations insisting that job losses from sanctions would be minimal and business groups offering dire predictions of massive layoffs.

Just how large the economic factor looms in the Thatcher Government's opposition to sanctions is difficult to gauge, but most economists agree it is crucial.

Yet the continuing economic deterioration and social unrest in South Africa may make it easier for Mrs. Thatcher and British companies to accept new sanctions. Because of the precipitous fall of the South African rand, the value of British investments have been nearly sliced in half in the past four years. "In the end, South Africa needs Britain a lot more than Britain needs South Africa," said William Guttridge of the Institute for the Study of Conflict, a private group in London.

Although British corporations have generally not left South Africa, they have also made few new investments in recent years. And some have quietly reduced their stake in the country. Last September, for example, Barclays Bank cut its ownership in an South African associate, Barclays National Bank, from 50.4 percent to 40.4 percent. In keeping with its reduced share, the bank will eventually drop the Barclays name.

Some British executives have been uncharacteristically outspoken in their criticism of South Africa. Sir Timothy Bevan, Barclays' chairman, declared that his bank would invest no new money there until there was an end to "the bankrupt policy of institutionalized racial discrimination." And Lord Barber, chairman of Standard Chartered Bank and a former Chancellor of the Exchequer, was a member of the Eminent Persons Group. His signature on the report, some analysts said, could make it easier for Mrs. Thatcher to drop her opposition to sanctions.

Deforestation and Erosion on a Huge Scale

In Haiti, the Land Is Worn Nearly to the Bone

By MARLISE SIMONS

GOING along a barren mountainside, a farmer stopped to point at the downpour of stones. They had covered the slopes and fields, the valley, its dirt road and dry riverbed. "This is standard Haiti: this is erosion," the farmer said. "We have a saying that the rocks have children here."

Haiti's "rock children" are expected to multiply even faster as vegetation continues to dwindle, soil becomes more fragile and the rains keep washing the land down to the bone. Every day, experts say, bakers, rum distillers, housewives use charcoal to the equivalent of 27 acres of wood. Charcoal covers 76 percent of Haiti's energy needs.

The alarm about environmental damage in Haiti has been sounded many times. Here, as in other regions of the third world, deforestation and erosion have assumed disastrous proportions. The Government of the long-lived Duvalier dynasty was largely uninterested, and the new leaders are bogged down by continuing strikes and protests.

Since 1980, foreign donors have committed more studies, money and effort to reforestation than in the preceding three decades. This includes recent reforestation loans from the World Bank and a program of the United States Agency for International Development of \$2.5 million a year.

Yet while the stacks of studies have grown, along with upbeat annual accounts of the millions of trees planted here, experts say Haiti is still rapidly losing its soil. Every year, while the population grows, arable land declines and the country produces less food. The wash of topsoil has started to silt up irrigation systems and the main hydroelectric dam.

How Trees Disappeared

There are no illusions that even the best techniques could restore the Haiti that was once France's richest colony. The French brought a million African slaves to clear the forests for sugar and coffee and they hauled off a portion of Haiti's precious woods. A procession of lumber companies followed in the 19th century. The peasantry, in need of fuel, building material and crop land, cut down most of the rest of the trees.

In the search for answers, foreign specialists no longer even talk of reforestation here. "If we can just hold on to what we have today and perhaps slightly enhance the soil, that will be an improvement over the way it is going now," an American agronomist said.

Still, with six nations and several international lending agencies involved in soil preservation here, why is Haiti, as an American report predicted in 1980, still heading toward an "ecological wasteland" by the end of the century? Some people blame poorly conceived projects and a lack of coordination among the foreign donors. "This is like the tower of Babel," a Dutch development expert said. "Everyone has a different recipe and wants to do his own thing." A 1982 study financed by West Germany said that production and distribution of seedlings, rather than their fate, seemed to be "the only criteria."

Yet the experiments also show some of the frustra-



tions and technical and social complexities that foresters are up against. When the United States paid Haitians to plant trees, it found that many people let the saplings die, ostensibly to be paid again for more trees. A new American plan that targets individuals rather than Government-run groups gets peasants to plant the fastest-growing species as a crop. The trees are meant to hold the land and they can be cut and sold every few years as wood for charcoal or posts.

Although it has scored some significant successes, experts say the A.I.D. project is still faltering in many areas. Of the 21 million trees distributed, millions have died. Foresters said that in several critical regions only one of every three or four trees survived. They said that species were mismatched with soil types

while seedlings, bred in fine nursery conditions, had tiny root balls that often could not survive in the dry, hot soil. "We are really trying to correct this," said an A.I.D. official. "Ours is still the best project here."

Many poor peasants refuse to plant trees that compete with their crops. "The peasant has five children and an acre of land," said Jean Pierre de St. Christo, who runs a nursery in the mountains behind the capital. "He doesn't want shade, he wants sun for his beans." Mr. de St. Christo believes he has found one solution. With the help of an A.I.D. grant, he has distributed citrus trees in 10 communities. "People relate to a fruit tree and look after it," he said. "It gives a product, it holds the soil, it has a small canopy."

Mr. de St. Christo has also overcome bureaucratic

objections and obtained United States aid to get the villages in this land of stones to build rock walls along the bare slopes. After 18 months, with a few inches of topsoil piled behind the limestone barriers, a first crop of congo peas has been planted this year.

Elsewhere, American development experts hope to revive a shelved program to teach farmers how to make compost to regenerate the soil. "It's very worthwhile and simple," one of them said, "but most organic waste and tons of bagasse here are burned."

Most foreign experts here agree that drastic steps are needed and say the Haitian Government should reforest all public lands. "To rescue Haiti," a longtime foreign resident said, "we need civic pride, a national mystique."



Environmental damage from deforestation in northwest Haiti (far left); worker at a CARE nursery in Bombardopolis, Haiti, with various fast-growing hardwood seedlings, planted for holding soil, making charcoal and as firewood; woman selling charcoal in a marketplace in Anse Rouge, Haiti.



Photographs by Woodfin Camp/Alexandra Avakian

Mexico Has Lost an Estimated \$50 Billion

Struggling To Clip The Wings Of Capital

By JEFF GERTH

CAPITAL flight, the exporting of assets from countries in trouble, used to be talked about by only a few economists and bankers. Recently, however, it has become a major issue in international economic discussions, spilling over into headlines.

In the Philippines and Haiti, determining how much was sent out by the former leaders, Ferdinand E. Marcos and Jean-Claude Duvalier, is a priority for the new governments. But while both countries regard many of the Marcos and Duvalier transactions as unlawful, this is not necessarily the case — especially in places such as Mexico, which does not prohibit such transfers but has lost an estimated \$50 billion.

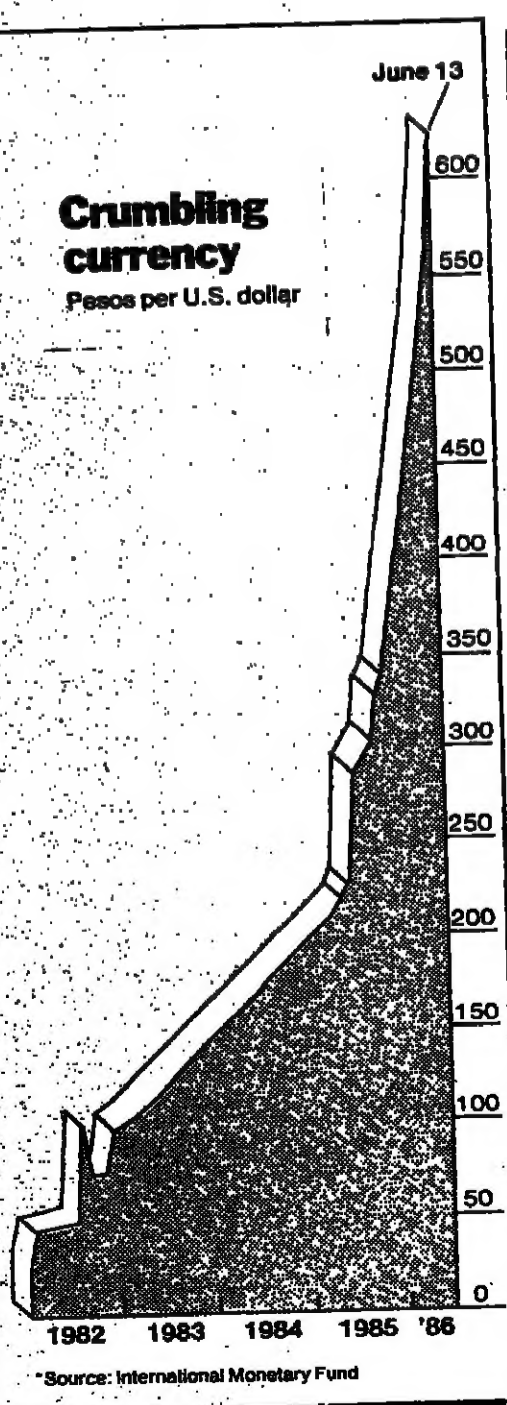
All told, Latin American countries have lost more than \$100 billion in capital in recent years, according to estimates by the Morgan Guaranty Trust Company. Much of this has been invested in the United States. Real estate markets in Florida, Texas and California, as well as banks in Southwestern border towns and New York, are fueled by money fleeing Latin America.

Reversing capital flight as a condition for new loans is an important provision of Treasury Secretary James A. Baker 3d's plan to help debtor nations. With oil prices slumping, Mexico is struggling under the weight of \$98 billion in foreign debt. Talk of a payments moratorium has driven the peso down sharply against the dollar, and Paul A. Volcker, chairman of the Federal Reserve Board, flew to Mexico City last week to help restart negotiations with Mexico's international creditors.

Medians contend that American bankers have overstated the extent of their capital transfers. But they acknowledge that the issue "seems to have created a certain animosity toward Mexico in international banking circles," as Miguel Mancera, governor of the central bank, has said.

Secret Transactions

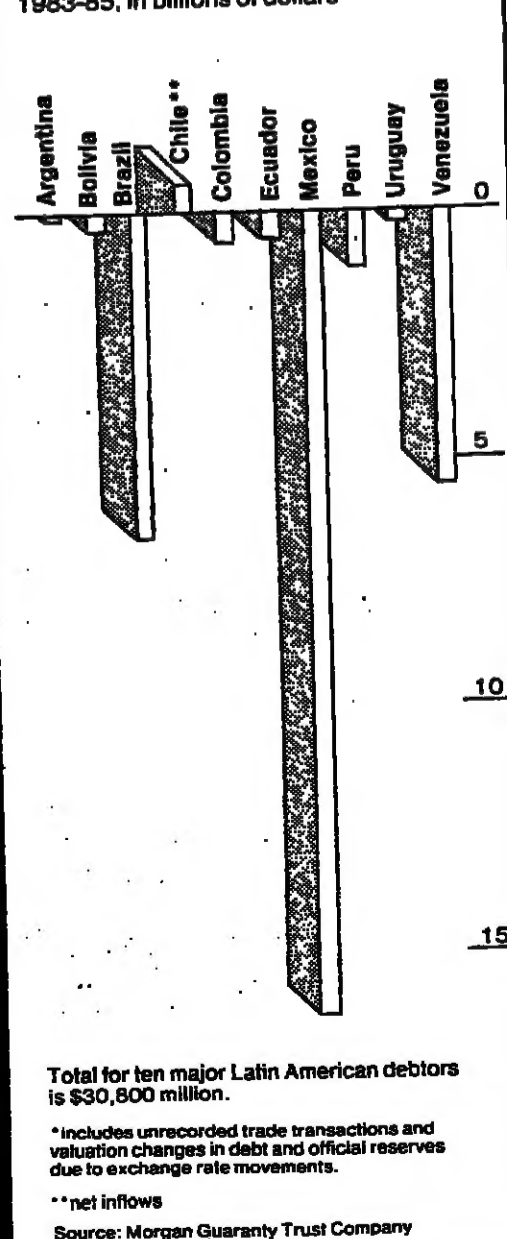
Capital flight has been defined by John T. Cuddington, a World Bank specialist, as "hot money that responds to political or financial crises, the tightening of capital controls or heavier taxes, the fear of major devaluations of the domestic currency or (actual or incipient) hyperinflation." Capital moves out of most countries, including the United States. But the flow became a pressing issue for countries like Mexico with large external debt and dwindling foreign exchange reserves, which are critical to servicing the debt.



While not illegal in Mexico, exporting currency is considered unpatriotic. Most of the billions sent abroad came from wealthy individuals and corporations, while most of the foreign debt is owed by the Government, which has imposed austerity on a population with an average annual income of \$2,800. Playing upon popular distress, the Mexico City newspaper *Excelsior* recently listed 575 sacadolares, or dollar removers; most of them sent money to the United States. To avoid criticism, transfers are often cloaked in deep secrecy. On occasion, they get confused with illegal transactions such as the laundering of drug traffickers' profits, and vice versa. For example, Jim M. McVay, executive vice president at First City National Bank of El Paso, said \$6.5 million in deposits was seized by Federal agents in 1984 as drug money. "We thought the customer was

Cash poor

Cumulative capital flight* during 1983-85, in billions of dollars



acting as agent for people wanting to move their money out of Mexico, capital flight," he said.

Some foreign officials and American economists say banks sometimes aid and abet capital flight at the same time they are decrying it. "The banks who are crying about capital flight are bringing out the money themselves," says Rudiger Dornbusch, an economics professor at Massachusetts Institute of Technology.

Banks place the blame on fundamental economic conditions. "We work under U.S. banking regulations," said an official at a leading international bank in California. "There is nothing illegal about taking a deposit. If they don't make it here, they'll make it somewhere else. The best way to address the issue is for countries to change their economies and make them more attractive for their citizens to invest in."

Ontario's Rising Star
Peterson Has Made the Most of His Year in Office

By DOUGLAS MARTIN

WHEN Ontario doctors went on strike last month, more than one-third of Canada's population was affected. At the center of the controversy was David Peterson, 42, who has now been Premier of Canada's most populous province for a year.

Mr. Peterson vowed to push forward legislation barring doctors from charging fees higher than those set by the province's public insurance system. But he declined to order physicians back to work. "I don't think it's the proper approach for professionals, but they have made their own decision on it," he said.

This typified the mix of progressivism and moderation that has vaulted Mr. Peterson's Liberal Party far ahead of its rivals in Ontario. A recent poll in *The Toronto Star* showed the Liberals now have the support of 51 percent of decided voters in the province, compared with 28 percent for the Progressive Conservatives and 21 percent for the leftist New Democratic Party.

If an election were held today, it seems certain the Liberals would win a clear majority. They originally gained power by signing an agreement to push many N.D.P. objectives in exchange for that party's legislative support.

What happens in Ontario, half again as big as Texas, is important because of the province's overpowering position in the Canadian confederation. Half the country's manufacturing jobs are here and Ontario's trade with the United States surpasses Japan's.

As Ottawa and Washington begin talks on a broad free trade deal, Ontario clearly has the most to gain or lose. Accordingly, Mr. Peterson has become the most influential national spokesman on the issue, advocating caution and a dose of skepticism.

Aided by a considerably bouncier economy than the rest of Canada, Ontario appears to have regained national pre-eminence from Quebec, where the dream of independence has faded, and from the Canadian West, whose fortunes have declined with oil and commodity prices. Mr. Peterson's snappy performance in office has been in such sharp contrast to the disheveled federal government of Prime Minister Brian Mulroney that commentators have begun mentioning him as a future national leader.

The Liberals' resurgence comes after more than 42 years of uninter-

rupted Tory rule in Ontario. Preaching and practicing reform without radicalism, the Tories captured and controlled the center. Now Mr. Peterson is doing the same thing in decidedly different style. With his actress wife, Shelley, three children and a dog named "Blueberry Muffin," he has charmed and jogged his way to "yuppie" popularity.

The new look began with last year's swearing-in. Mr. Peterson moved the event outdoors, and asked his new ministers to bring their own Bibles to save money. It is continuing with much-publicized attempts to wipe out patronage, fire the province's prim film censor and legalize the sale of beer in grocery stores.

But tough issues have not been ignored. In addition to taking on the doctors, the Liberals have riled Protestants by expanding public financing of Catholic schools, and angered business by moving to legislate comparable worth pay for women in the private sector. They have also been blamed for the downgrading of Ontario's triple-A credit rating in the bond market.

But a growing economy is Ontario's showpiece. The government projects 4.2 percent growth this year, with most private forecasters even more optimistic. Nonetheless, longer-term problems, such as excessive dependence on a declining auto industry, could spell trouble.

Mr. Peterson is thus trying to move Ontario into a high-tech future with a \$1 billion fund to develop what he calls "a world-class, internationally competitive society." He is also protecting his flank. He insists that auto industry trade agreements — American automakers receive tariff relief on cars exported to Canada in return for manufacturing certain automotive components in Canada — not be part of free-trade talks.



David Peterson

Associated Press

The Nation

The Washington Version of Insider Trading

Commerce Secretary Malcolm Baldrige's announcement last week that three workers in his department would be dismissed for turning inside knowledge of sensitive economic information to personal gain in the securities markets illustrated one of the differences between public and private service.

People in private companies who exploit positions of confidence for profit may be breaking civil and criminal laws. Those who hold posi-

tions of public trust might not be. Though the Commerce employees are "analogous to insiders," as a Washington lawyer put it, the securities statutes as they now stand do not apply, a Securities and Exchange official said, because the party defrauded by the use of the information was the Government, not a publicly traded corporation.

The trading activities of the three were discovered through an investigation of a leak in September of a report on the gross national product, which set off a rally in the bond markets. The source of the leak was not traced, but in the course of the inquiry it was learned that up to three days before the report was to be released the employees bought con-

tracts to buy bonds at a fixed price at a future time.

The G.N.P. report showed slower than anticipated economic growth, a circumstance that can lead to lower interest rates and so generally drives bond prices higher, thus making so-called bond futures more valuable. The three, who are among 430 employees of the Bureau of Economic Analysis, which prepares the G.N.P. report, were not named because under the Civil Service code they have 30 days to appeal the dismissals.

Mr. Baldrige said the Commerce Department is asking for legislation making unauthorized disclosure of important Government statistics a crime.

Buying on Bad News

Authorized disclosures sparked a rally in the financial markets late last week when several Government reports confirmed continuing economic sluggishness, lending support to the view that the Federal Reserve Board is unlikely to tighten interest rates soon.

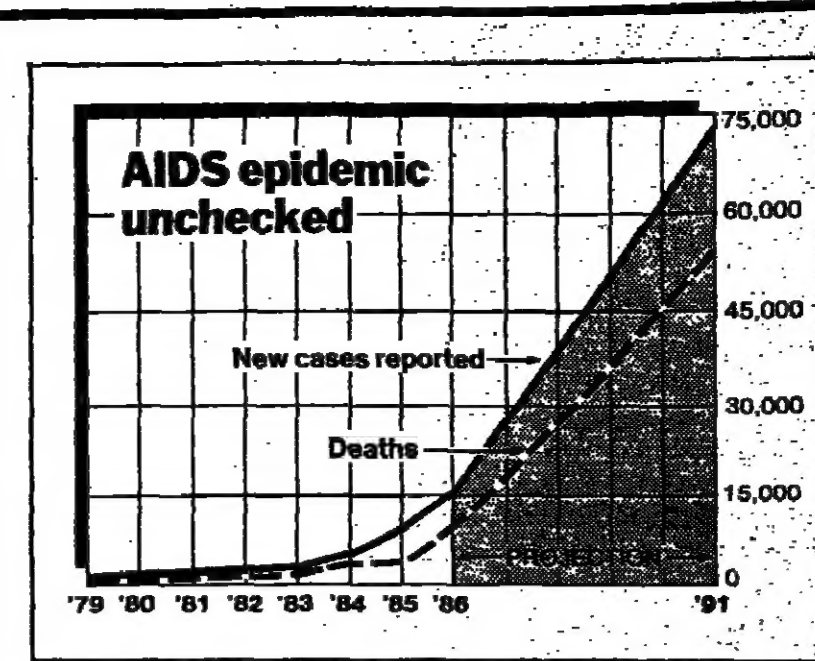
Industrial production dropped 0.6 percent in May, the third large decline in four months, and retail sales fell by 0.1 percent. Meanwhile, higher gasoline and food at the wholesale level led the Producer Price Index up 0.6 percent last month.

The modest increase, which followed four months of declines, had been expected after sharp drops in energy prices came to an end. The Dow Jones Industrial average climbed 36.06, closing the week at 1,874.19, only 11.71 points away from complete recovery from a record 45.75 drop Monday.

The F.B.I. Decides To Test Its Own

J. Edgar Hoover, the Federal Bureau of Investigation's first director, did not want the agency involved in drug investigations because, it was said, he was afraid his agents might become hooked on narcotics or on drug dealers' payoffs.

In recent years, the F.B.I.'s role in drug inquiries has steadily grown, and last week, while denying that Mr. Hoover's fears were anywhere near materializing, the bureau announced a mandatory drug testing



Although there have already been more than 20,000 reported cases of AIDS, Federal health officials last week called them the tip of an epidemiological pyramid. Reporting on the results of a conference of experts on acquired immune deficiency syndrome, the United States Public Health Service predicted that cases and deaths from the disease would increase more than tenfold in the next five years as the virus spreads widely outside New York and San Francisco and infects a larger segment of the heterosexual population.

Verbatim: Outlawing Obscenity

'It's really a question of whether you view the disease as worse than the cure. I have no doubt that the cure will occasionally be abused. When you look at the stuff, it really is so bad that it defies description.'

David A. Lorie

Portland, Me., city attorney, defending an anti-obscenity proposal defeated in a Maine referendum last week that would have mandated prison terms for those who sold or promoted obscene material.

'For the citizens of this state to vote and to reject this referendum would be an extraordinary statement of support for the First Amendment.'

Barry W. Lynn

Legislative counsel for the American Civil Liberties Union in Washington, opposing the proposal

program that will start with new employees.

Under the program, which will include new employees of the Drug Enforcement Administration as well, experienced F.B.I. and D.E.A. agents, selected at random by a computer, eventually will be required to undergo urinalysis for illegal drugs, the bureau said. "This policy is not the result of any specific emerging problems," said Ray McElhane, a bureau spokesman. "It is in keeping with our steadfast commitment to forestall potential drug problems and to maintain the high standards that we set for employees of both agencies."

However, some specific problems have emerged. Last year a former F.B.I. agent pleaded guilty to charges of taking \$850,000 in bribes and payoffs and confessed that he had stolen more than 90 pounds of cocaine from a shipment seized by the bureau. A handful of D.E.A. agents have been charged with drug-related offenses in recent years.

In New York, meanwhile, Police Commissioner Benjamin Ward said he strongly favored unannounced drug testing for all police officers. The department, which for several years has screened all new applicants and probationary officers, an-

nounced earlier in the month it would begin mandatory drug testing for all current and prospective members of its Organized Crime Control Bureau.

A spokesman for the Patrolmen's Benevolent Association, which is seeking an injunction to block required testing of officers once they have been assigned to the organized crime bureau, said the union would challenge any attempts to test officers not specifically suspected of drug use.

Six officers have been arrested on drug charges in the first five months of this year; five officers were arrested in all of 1985.

Line's President Takes a Tailspin

The airline industry's troubles were reflected in its executive suites again last week with the forced resignation of Richard D. Pearson, president for eight months of Trans World Airlines. The nation's fifth largest carrier, T.W.A. has been in particular difficulty because the costly takeover battle won last summer by Carl C. Ichan, the New York investor, was followed by a nine-week walkout by the 6,500-member

Independent Federation of Flight Attendants. Mr. Pearson was asked to resign, he said, because of friction with D. Joseph Orr, an Icahn associate who was named a vice chairman in April.

The airline, which reported a first quarter loss of \$169.6 million, has also faced decreased bookings in large part because of fear of terrorism abroad, as have other carriers that fly to Europe and the Middle East. The approach to that problem by one them, Pan American Airways, has been causing more talk in the industry. Most airlines have increased security measures, but Pan Am, which is imposing a \$5 surcharge on international tickets, last month began running full-page newspaper advertisements for what it calls "one of the most far-reaching security programs in our industry."

A top Federal air safety official, among others, says Pan Am's move may reflect a maturing attitude in the airline industry about how to address travelers' fears. Other experts are concerned that terrorists might view the advertisements as a challenge.

Caroline Rand Herron and Michael Wright

Congress Has Its Own Ideas About How Best to Balance the Federal Books

Capitol Hill Looks Beyond the Reagan Era

By STEVEN V. ROBERTS

WASHINGTON CONGRESS struggled last week to move forward on the two central elements of its domestic agenda for 1986, a sweeping overhaul of the nation's complex income tax code and a Federal budget for the fiscal year that begins Oct. 1. On each, the progress—or lack of it—illustrated the extent to which legislators are operating in a new environment.

The budget debate in particular shows that Washington is already beginning to enter the post-Reagan era. The President will never again run for the White House, and senators and representatives of both parties are increasingly aware that their political paths and the one followed by Mr. Reagan are diverging. House and Senate budget negotiators got little closer to a final compromise last week. But the main obstacle was not on Capitol Hill. It was the persistent disagreement over spending priorities between Congress and the White House.

Many Republicans as well as many Democrats want to spend more on domestic programs and less on the military than does the Administration. They also want to raise taxes to help close the budget deficit. By week's end, Senator Pete V. Domenici, the New Mexico Republican who is chairman of the Senate Budget Committee,

proposed establishing a \$7.3 billion fund for military and domestic spending, to be financed by new revenues. When asked if the President, who last week vowed once again to "veto any tax hike that comes across my desk," would accept tax increases, Mr. Domenici replied: "I don't believe this proposal requires the President. If we want to play hardball, that's our prerogative."

The White House and Capitol Hill are also headed for another confrontation over the President's proposal to send \$100 million in military aid to insurgents battling the Government of Nicaragua. The proposal could come to a vote in the House this week, and at his news conference last week, Mr. Reagan challenged Congress, asserting, "It's time for an up-or-down vote on freedom in Nicaragua." But the proposal has been rejected twice already, largely because of many legislators' determination to tie military help for the rebels, known as contras, to renewed efforts at a negotiated settlement in the region. Opponents' arguments were bolstered last week when the General Accounting Office reported that it could not trace a large chunk of the \$27 million allocated to the contras last year for nonmilitary purposes.

Conflict between the executive and legislative branches is not the only force driving Congress. The two chambers have been under divided control—a Democratic House and a Republican Senate—for more than five years. It has been a century since the two houses

were so long divided. One result is that House-Senate conferences have become crucially important, the main arena where partisan disagreements are resolved.

As conferees were trying to write a Federal budget, the Senate was leaving one of the biggest issues in the tax bill, the treatment of Individual Retirement Accounts, to another group of House-Senate negotiators, who will convene this summer. A coalition of senators supporting the bill managed to reject all but one of the amendments offered during the week, including an attempt to restore tax breaks for the popular I.R.A.'s. But the narrow defeat, 51 to 48, came only after the opportunity for a pro-I.R.A. vote was offered. Over the protests of Senator Robert C. Byrd of West Virginia, the minority leader, that turning such an important matter over to a conference was "no way to legislate." The Senate, 96 to 4, approved a nonbinding resolution urging the upcoming conference to protect the I.R.A.'s tax benefits.

The Pressures of Budget Balancing

A new force is the legislation adopted last year requiring the lawmakers to bring the deficit to zero by 1991. In many ways the budgeting-balancing law has already worked. Hardly a day goes by on Capitol Hill that someone does not cite the pressure for frugality created by the measure, and in general votes on spending have reflected that pressure. Within the limits established by the meas-

ure, however, the battle over priorities can be fierce.

Last week, for example, the House, 340 to 36, defied a veto threat and adopted a wide-ranging housing bill that continues several economic development programs Mr. Reagan would like to eliminate, including Urban Development Action Grants and Community Development Block Grants. But House Democrats accepted a Republican amendment that would divert most public housing funds from new construction to the rehabilitation of existing dwellings, and the \$16.3 billion bill essentially holds spending at current levels.

The conflict over priorities was also clear in the debate over Mr. Reagan's request for \$5.4 billion to pay for research and development of a Strategic Defense Initiative, the shield against intercontinental missiles commonly known as Star Wars. The \$5.4 billion amounts to a 77 percent increase for a program that if implemented would commit the Government to enormous expenditures over many years. Opponents hope that if investment is held down now, a new Administration will be able to kill the program.

Last week, two senators—Orrin G. Hatch, Republican of Utah, and Bill Bradley, Democrat of New Jersey—joined the 46 who had already endorsed a letter to the leaders of the Armed Services Committee, urging that growth in the missile defense program be restricted. Senator Sam Nunn of Georgia, ranking Democrat on the Armed Services panel, said the President's request is likely to take a beating when the full committee takes up the military spending bill this week because it is "out of sync with reality." He added: "The President's words are no longer being accepted up here."

Triple Witching Hour Is Again At Hand

Wall Street's Computers Gain Power

By NATHANIEL C. NASH

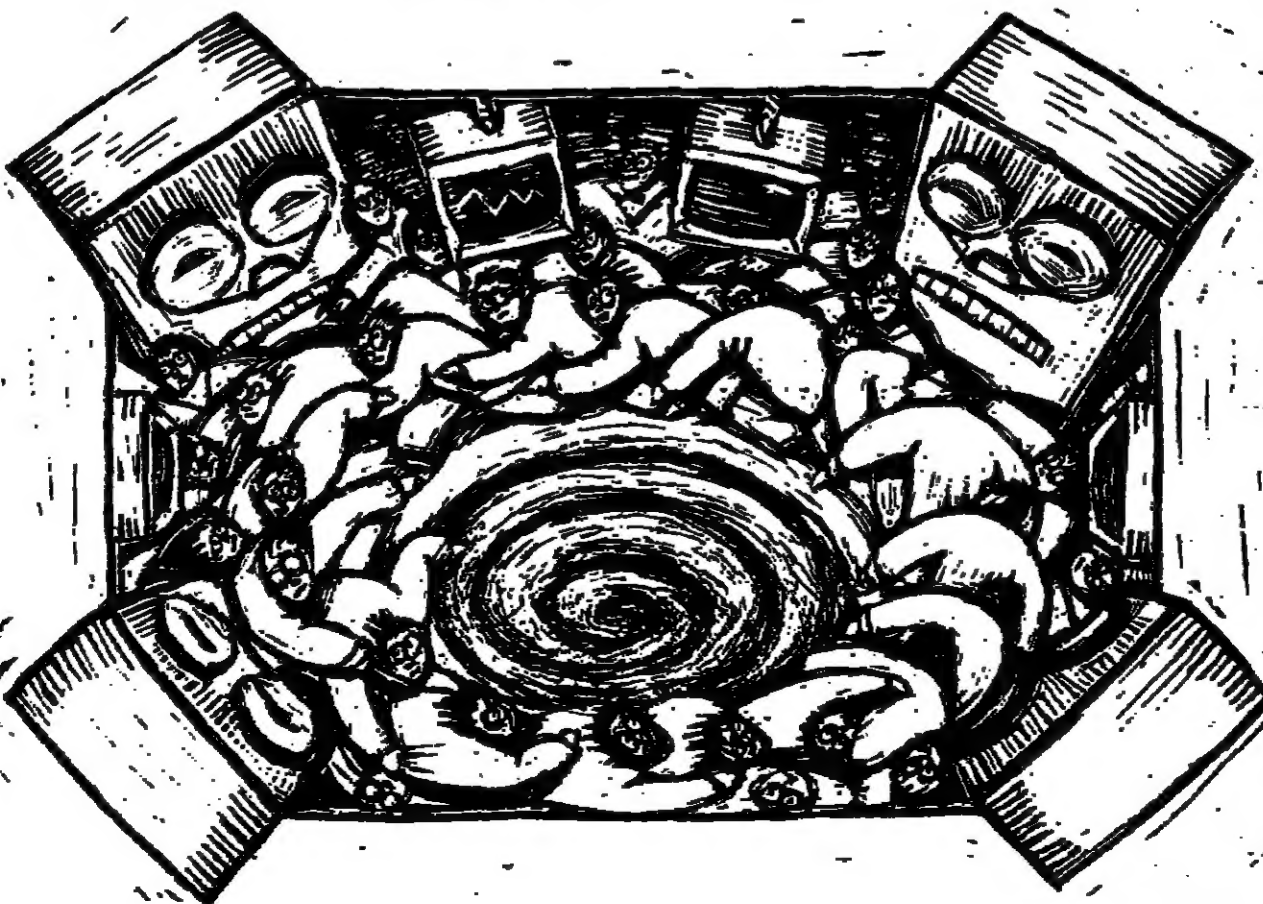
WASHINGTON It happens four times a year—on the third Friday of every third month—and it can make even the most seasoned Wall Street trader quake.

It is the triple witching hour, when computers execute hundreds of trades a minute and millions of dollars are made on tiny price discrepancies between options, futures and stocks. It is a kind of organized chaos, and on March 21, the day of the most recent witching hour, the Dow Jones Industrial average fell almost 30 points in the last 60 minutes of trading. Sell orders for more than 45 million shares hit the floor of the New York Stock Exchange in the last few minutes.

The fateful hour is again at hand, this Friday, June 20. To add to already existing nervousness, a major stock selloff, sparked in part by computer-programmed trading last week, produced the largest one-day drop in the Dow, more than 45 points, to 1840.15.

Welcome to the era of computer investing, in which portfolio managers let increasingly sophisticated software tell them when to buy and sell, new investment vehicles are providing opportunities for hedging risk and locking in profits and high-speed telecommunications can spit out stock orders at rates unknown to Wall Street 10 years ago. Indeed, the triple witching hour is so named because on that date three kinds of computer-monitored investment instruments expire—stock options, index options and futures contracts on index options.

Some experts warn that the explosive growth in automated trading, with human judgment playing a smaller



and smaller role in the investment decision, has added volatility to the markets that will inevitably drive away small investors. They fear that, if computerized trading continues to increase at the pace of the past two years, the periodic gyrations could lead to a time when sell orders cannot be matched with buy orders, creating giant plunges in the Dow and trading gridlock.

"Whenever you have an increase in volatility, investors demand a higher return to compensate for that," said Henry J. Gailliot, economist and head of investment

policy at the Federated Research Corporation in Pittsburgh, which manages \$30 billion in clients' funds.

The periodic trading chaos produced by programmed trading is tolerated by the Securities and Exchange Commission and by the nation's stock exchanges because, in their view, such trading adds to the market's efficient pricing of stocks and provides more funds for the purchase and sale of securities.

"We think this kind of trading provides a number of benefits to the markets, particularly liquidity and effi-

ciency, and the temporary imbalances it creates do not outweigh the economic advantages," said Richard T. Chase, associate director of Market Regulation at the S.E.C. "Our plan is to try to reduce the volatility while not placing a damper on the trading."

According to estimates by S.E.C. officials, program trading now accounts for between 10 and 25 percent of all stock trading on the nation's exchanges. The advent, over the last two years, of so-called stock index options and futures on index options has sparked the most explosive growth. With these instruments, traders have been able to devise computer programs that use both the new investments instruments and the stocks they represent to lock in handsome short-term profits.

Index options and futures on index options are essentially obligations to buy or sell a group of as many as 500 stocks in the future at a fixed price. In a typical transaction, a trader will sell such an obligation to an investor—generally for a premium above the market value of the underlying stocks. At expiration, he must deliver the stocks or their equivalent cash value to the investor. At the same time, the trader buys the underlying stocks at current market prices, and in so doing, locks in his profit—the premium initially paid by the investor. Such instruments have become so popular that almost every major Wall Street firm currently offers program trading, and some involve commitments of up to \$50 million.

But hedging with index options and index futures is far from the only use of computerized trading. So-called index funds, which buy the stocks of a major market index, such as the Standard & Poor's 500, and aim at equaling the index's performance, have become increasingly popular. Several prominent money managers have devised programs that automatically analyze individual stocks and buy when the stocks are considered undervalued and sell when they are considered overvalued.

Where will this all stop? John Phalon, chairman of the Big Board, sees no success. "Absolutely, more and more of this type of trading is going to take place," Mr. Phalon said. As to the risks, he added: "Sure, this could get out of hand and disrupt the market."

"Sunlight—informing market participants about what's developing, where the imbalances are—is the best solution," Mr. Phalon said. "The worst downside case would be if everybody's program decided to do the same thing at the same time. But program trading is bringing some of the smartest people into the portfolio game, and they will always be writing new programs."

Making Arms Makers Do It Right

Pentagon scrutiny is vital, but companies say it has gone too far.

By RICHARD HALLORAN

ST. LOUIS
TWO years ago, Navy pilots testing the new F-18 Hornet discovered that the fighter plane could turn more sharply and climb more steeply than the designers had planned. But those tight turns and sharp climbs put too much stress on the aircraft, causing cracks in its twin tails.

The cracks were the result of a design flaw that had slipped past McDonnell Douglas and Northrop, which had made the new plane under a joint contract, and past Navy program officers who had overseen the F-18's development and manufacture from the drawing board to final test flights.

After a brief dispute, McDonnell Douglas agreed to pay for repairs and design fixes that eventually cost \$65 million. "That was a biggie," said Robert C. Little, a corporate vice president and onetime test pilot, with a shake of his head. "But it was our responsibility."

The F-18's cracked tails reflect a huge issue in the defense industry. Mistakes are getting through even though platoons of government and company inspectors check and recheck the design, manufacture and assembly of weapons. Despite this oversight, the Defense Department has charged many of the nation's big weapons makers with poor design, inadequate quality controls, and excessive costs.

McDonnell Douglas, the nation's biggest defense contractor, is being investigated for overcharging, according to the Pentagon's Inspector General. General Dynamics, the second biggest contractor, has been accused of overcharging, as well as subcontractor kickbacks, production substitution, security compromise and false claims. Rockwell, General Electric, Lockheed, Boeing, United Technologies, Hughes, Grumman and Martin Marietta have also been among the accused. Of the top 100 defense contractors, 45 are under criminal investigation, the Inspector General's office says.

The wave of Pentagon charges has raised this question: how can so much go wrong when thousands of government inspectors, not to mention company officials, supervise every step of the weapons manufacturing process? One answer is that modern weapons are immensely complicated, with literally thousands of chances for mistakes. McDonnell Douglas's F-15 Eagle fighter made for the Air Force, for instance, has 555,000 parts designed, made, assembled and tested by more than 22,000 people. As a McDonnell Douglas foreman says, "An F-15 is a collection of parts flying in very close formation."

In addition, government officials contend that many of the violations now under investigation took place in the years before the Reagan Administration greatly expanded the scope of the Pentagon's oversight operation — in an effort to prevent a repetition of those years. William Howard Taft 4th, Deputy Secretary of Defense, says that intensive auditing of the industry "is paying off." He noted that the auditing program contributes far more in savings than the \$300 million to \$500 million it costs and added, "As long as I feel that, we will keep on auditing and keep on investigating," he said.

MR. TAFT, who is the Pentagon's chief acquisition officer, asserts: "Shoddy workmanship, inadequate testing procedures, and other quality control problems have been haunting American industry for over a decade. But in the defense business, they do not just drive away customers and reduce profits. They can cost lives."

Lately, defense industry executives



Inspecting the flight book of an F-18 Hornet.



William H. Taft 4th, Deputy Secretary of Defense

have bridled at so much Pentagon supervision. These executives contend they are being "micro-managed" from Washington, that requirements laid on them hamper rather than help them to produce quality weapons, and that they are being harassed by constant audits.

Sanford N. McDonnell, chairman and chief executive of the McDonnell Douglas Corporation, accuses the Federal Government of "over-managing, over-specifying, over-scrutinizing" the work of defense contractors. He cited his favorite statistic, which is the 52,000 days of visits a year from thousands of Government auditors and reviewers — or 1,000 "visit days" each week, to McDonnell Douglas facilities. "The overwhelming load of all this," he said, "just drives you up the wall."

Similarly, Thomas G. Pownall, chairman of Martin Marietta, complained late last year that the oversight process "has become so complex, so regulated, so detailed and so documented that it is difficult to do things right, even when one tries his very best."

HERE at the sprawling McDonnell Douglas plant where Air Force F-15, Navy F-18 and Marine Corps AV-8B jet fighters are assembled, Mr. McDonnell carried on the industry's argument. "There is a tendency of the Government to try to force each contractor to have the same management system," he said. "There should be enough oversight by the customer to make sure the contractor is staying on track," he added. "But he should be relieved of this excessive oversight, this unnecessary auditing."

Brent Hardesty, the Director of Aerospace Management Systems at the company, asserted that auditing by 12 different Government agencies added up to "oversight overkill." The main problem, Mr. Hardesty said, is that government auditors often go beyond the proper scope of a review to tell the contractor how to manage the operation. "In effect, they say if the contractor would only use the management systems that we in government prescribe, nothing would ever go wrong."

But McDonnell Douglas's director of government contracts, R.M. Jacobs, tipped his hat to the Naval

The Top Defense Contractors

Ranked by fiscal 1985 contracts in billions of dollars

Company	Contracts (\$ billions)
McDonnell Douglas	58.9
General Dynamics	7.4
Rockwell International	6.3
General Electric	5.9
Boeing	5.5
Lockheed	5.1
United Technologies	3.9
Hughes Aircraft	3.6
Raytheon	3.0
Grumman	2.7
Martin Marietta	2.7

Source: Department of Defense



Sanford N. McDonnell of McDonnell Douglas

Plant Representative Office, or Navpro, that does much of the government's day-to-day business here, for trying to control non-productive "intrusions into our affairs."

The executive officer of Navpro, Cmdr. William H. Goessling, agreed that "we have blocked people from coming in because they have no need to know." But he asserted that Mr. McDonnell's 52,000 figure was misleading, saying that the actual number of visits was closer to 14,000, with most lasting several days.

Of the top 100 contractors, 45 are under investigation.

A second element of "oversight overkill," according to Mr. Hardesty, is the 24,000 documents setting down specifications for military aircraft. In each document are hundreds of pages. "There's a lot of garbage in these documents," he contended, "and nobody can read all of that. So some people get sloppy in their attitude toward requirements."

One document specifying electronics parts, for example, refers to 255 other documents that, in turn, refer to 1,374 more documents of which half are 10 years old. "If the contractor must comply with those," Mr. Hardesty said, "we will design in obsolescence."

In contrast, he told of a \$2 billion contract that McDonnell Douglas recently concluded to supply Delta Airlines with passenger aircraft; only 10 documents were needed.

"Delta," Mr. Hardesty said, "doesn't tell McDonnell Douglas how to do systems engineering."

On the other, commercial airliners are not as complex as many weapons systems. The \$39 million F-15 Eagle fighter that McDonnell Douglas makes for the Air Force, for example, has not only 555,000 parts, but 4,200 feet of tubing, 20 miles of wiring, 475 castings and 437 forgings. It can

climb almost 20 miles and fly at 2.5 times the speed of sound.

To manufacture such complex machines with a minimum of errors, McDonnell Douglas has established a system of quality controls that begins with the training and supervision of its workers and ends with multiple flight tests before a plane is delivered.

Navpro also checks many of the steps, Commander Goessling said. In addition, teams of Navpro inspectors are increasingly seeking to verify procedures used by McDonnell Douglas. "The widgets may be bad," he said, "but if we don't correct the manufacturing procedures, the widgets will keep on being bad." Each inspection team spends half its time looking at procedures and the remainder at hands-on inspection of particular parts or assembled components.

That causes some friction, according to both the company and Navpro, but most disagreements are worked out on the plant floor. "Now that they know that we are serious," Commander Goessling said, "they respond at the lower levels."

Irving L. Burrows, an executive vice president, noted a change in company operations. "Before, if there was an error, we'd let it go and inspect it out at the end. Now, the philosophy is to do it right the first time."

EVERYWHERE are signs urging workers not to allow foreign objects into the planes. Commander Goessling said a severe problem occurred several years ago when a block of metal left in an F-18 jammed the controls, forcing the pilot to bail out.

Now, Navpro insists that workers account for tools. Components are "shaken out" during assembly and, in the case of the AV-8B Harrier, literally by rolling over the fuselage.

Beyond the continuing inspections are two group efforts to improve quality, both at the initiative of McDonnell Douglas. The Corrective Action Center brings technicians together to work out design and engineering problems, while the People's Express Program, dubbed PEP, sorts out problems that workers discover.

Jacob H. Warren Jr., who is responsible for quality assurance in aircraft at McDonnell Douglas, says 80 percent of needed corrective actions arise because parts are designed by different people in different places. The remaining 40 percent occur "where someone didn't do the job right." Before, when components did not fit, corrections were made by memo. Putting planners, designers and engineers together, Mr. Warren said, has cut the time needed to fix things by 90 percent.

At a recent PEP meeting, workers hashing over a week's work said that most problems resulted from written instructions that were incomplete or unclear or from damaged or incorrect tools.

BEFORE a plane is turned over to the government, it goes through two or three flight tests. Rudolph Haug Jr., the chief test pilot, explained that the first flight tests a plane's controls, speed and ability to reach altitude. In the second flight, the electronics and navigation systems are put through their paces.

A third flight might be necessary to see that it all comes together, he said. "Every airplane is like every car, a little different," Mr. Haug said. "You may have to adjust the controls just a little bit to get them right."

Navpro's aviators also test a new plane, rechecking the systems that McDonnell Douglas pilots tested. Even after that, Commander Goessling said, his group likes to "call the guys in the fleet to find out how things are working."

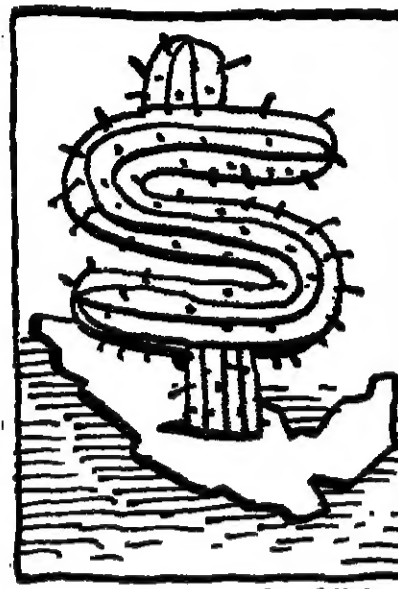
The Economy

WEEK IN BUSINESS

Debt-Mired Mexico Seeks a Way Out

A rescue plan for Mexico was hurriedly formulated in light of that nation's \$87 billion in foreign debt, the dramatic drop of the peso and the drop in the price of oil, its major hard currency generator. Discussions on ways to solve the debt problem had been under way for months, but the crisis was precipitated by the plunge of the peso, which fell 30 percent in six days. The rescue package would require Mexico to sign a letter of intent with the I.M.F., promising to take steps to expand its economy. In return, Mexico would get \$6 billion in new, one-year loans, including some from the I.M.F. and the World Bank.

Some of the loans would have to come from commercial banks in the United States, and the Fed chairman, Paul A. Volcker, said lenders should be lenient. But many commercial bankers, seeing their problem loans mount up, say they are reluctant to throw good money after bad and will require some guarantees beyond the letter of intent with the I.M.F.



Stuart Goldenberg

Financial Corporation won't regain its health this year, its chairman, William J. Popejoy, said. Most analysts had expected the troubled thrift unit to return to profitability soon. But Mr. Popejoy said its delinquent loans might continue to escalate.

Union Pacific is restructuring because its oil operations have been hurt by the price slump. It will cut a "significant" number of jobs, accelerate and more than double its stock buyback program and write down some oil assets. But the company clearly is not as desperate as it might appear — it said it was conserving cash in case it happens upon an irresistible acquisition.

Chevron will cut its staff by 12 percent through voluntary and mandatory retirements.

Union Carbide accepted the conditions imposed by a Federal judge to transfer the Bhopal lawsuits to India. But Carbide said it still might appeal the conditions, which require it to abide by United States rules on exchanging information and to pay any judgments awarded in India.

T.W.A. ousted Richard D. Pearson as its president, apparently at the behest of D. Joseph Corr, a vice chairman brought in when Carl C. Icahn took control of the airline in April. Analysts say Mr. Corr has turned around other companies for Mr. Icahn, but worry that such a summary dismissal of a longtime executive could increase tensions.

A Delaware court blocked Anderson, Clayton's recapitalization plan, saying the company may have misled stockholders. That leaves the door ajar for Gruss and Bear, Stearns, which have offered \$54 a share for Anderson. But Anderson said it would resist proxies.

Asher B. Edelman plans a \$44 a share tender offer for Fruehauf in an attempt to thwart management's attempts to thwart him. But his original offer to do a leveraged buyout at \$42 a share still stands.

Saga accepted a bid by Marriott after it was sweetened to \$39.50 a share, or \$501.7 million, from \$34 a share.

The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED JUNE 13, 1986

Company	Sales	Last	Net Chg
Det Ed	8,116,000	16 1/2	+
Pac GE	7,429,300	22 1/2	+
AT&T	6,542,700	24 1/2	+
IBM	6,065,400	9 1/2	+
IBM	5,852,700	149 1/2	+
Phila El	5,408,600	60 1/2	+
Phila El	5,108,600	19 1/2	+
Phila El	5,006,800	26 1/2	+
US F G	4,670,100	40 1/2	+
Salomon	4,507,000	49 1/2	+
Fruehauf	4,381,500	45 1/2	+
ITT Co	4,186,200	45 1/2	+
US Steel	4,091,000	20 1/2	+
Alig Pw	4,061,700	40 1/2	+
Am Exp	4,058,500	61 1/2	+

MARKET DIARY

Company	Last	Prev.
Advances	877	773
Declines	1,069	1,195
Total Issues	2,182	2,187
New Highs	169	240
New Lows	67	35

VOLUME

Company	Last	Prev.
Total Sales	626,009,901	16,113,676,991
Same Per. 1985	487,749,413	12,443,810,670

WEEK'S MARKET AVERAGES

Company	Last	Prev.
New York Stock Exchange	153.7	153.7
Indust	121.5	118.4
Utilities	69.9	69.2
Finance	151.8	146.5
Composites	141.0	137.0

Standard & Poor's

Company	Sales	Last	Net Chg
400 Indust	275.6	267.3	+0.03
20 Transp	204.6	197.7	+0.83
40 Util	105.2	102.3	+0.09
40 Financial	29.0	27.4	+0.01
500 Stocks	245.9	238.2	+0.06

Dow Jones

Company	Sales	Last	Net Chg
30 Indust	1883.2	1816.0	+11.70
20 Transp	793.6	764.8	+8.88
15 Util	189.1	187.6	+0.06
65 Comp	721.3	695.8	+25.50

The American Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED JUNE 13, 1986

Company	Sales	Last	Net Chg
Wickes	13,207,900	6 1/2	+
HornHard	4,283,800	13 1/2	+
BergenBr	1,949,000	24 1/2	+
DomePet	1,634,100	1	+
LorimarTel	1,564,700	29 1/2	+
HornHard wt	1,544,900	4 1/2	+
Wang B	1,487,300	16 1/2	+
FlAustPr	1,302,800	9 1/2	+
Am Intl	1,053,500	8 1/2	+
Int Banknt	952,700	8 1/2	+

MARKET DIARY

Company	Last	Prev.
Advances	389	352
Declines	397	433
Unchanged	155	134
Total Issues	921	919
New Highs	83	100
New Lows	23	24

VOLUME

Company	Last	Prev.
Total Sales	68,244,050	1,502,579,484
Same Per. 1985	32,907,230	959,476,210

WHEN MONOPOLIES MEET A MONOPSONY

The Cold War of the late 1940's and the Korean War of the early 1950's marked the beginning of the nation's arms industry.

Before that, the United States had a small standing military force that expanded with citizen-soldiers and relied on civilian industry to make weapons in wartime. After each war, the soldiers went home and industry went back to its civilian pursuits.

After the Korean War, however, the United States did not demobilize. Instead, the Government kept a large standing force and the arms industry became a permanent fixture, supplying the armed forces with everything from submarines to socks.

This was the military-industrial complex about which President Eisenhower cautioned just before he left office in 1961. "We must never let the weight of this combination endanger our liberties or democratic processes," he said.

At times, however, the powerful alliance that Mr. Eisenhower spoke about has broken down. Sometimes, as now, the military establishment and the arms industry have been more adversaries than partners. James P. Wade Jr., an Assistant Secretary of Defense, said in a recent assessment: "There is an unhealthy tension between the Department of Defense and industry and many people feel the current relationship is at an all-time low."

Tension arises because military contractors must serve two masters — taxpayers who want effective arms made economically, and shareholders who want profits. When those objectives are in

conflict, say critics, profits appear to take priority, with the quality of arms suffering.

The arms industry has the appearance of private enterprise operating in a commercial marketplace. But that is misleading, for most of the big contractors operate as monopolies while the Pentagon is a monopsony, the sole customer. Competition is often artificial and does little to encourage quality, efficiency or economy. For instance, the Navy can buy the F-18 only from McDonnell Douglas — or threaten, as it did once, to buy a different airplane from another company.

But Government officials say they often find themselves with no place to turn. A military officer summed it up: "It would be swell if I could say 'you're a naughty boy and I'm going to cast you into oblivion.' But if I do, where am I going to buy the submarines and tanks and planes that I need?"

Thus, the Pentagon under Secretary of Defense Caspar W. Weinberger has emphasized oversight and inspections by Government officials. Since 1980, the staff of the Defense Department's Inspector General's office, which handles only part of the inspection process, has grown by 50 percent, to more than 500 investigators.

One measure of the activity of the Inspector General's Office has been the number of contractors who have been suspended or barred, for one form of malfeasance or another, from receiving contracts. In the first half of the fiscal year 1984, the Defense Department punished 178 contractors — during the first half of fiscal 1986, that had more than doubled, to 417.

The New York Times

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Which Stars Are We Aiming For?

NASA wants a new \$2 billion orbiter to replace Challenger and press ahead with its flawed shuttle program. Expensive satellites and telescopes, vital to defense and commerce, are waiting to be launched and the space agency thinks that only to refit the three remaining orbiters would leave too little room for the accumulating cargoes and for malfunction.

In his news conference last week, the President indicated that he has already accepted that argument — though it was later made clear that he was expressing only an inclination, not a firm decision. A decision now truly would be premature. A fourth orbiter is only part of a space policy package to be determined coherently. When the package is assembled, there appears to be a sound way to proceed without the orbiter — if the Government would only decide what America wants to accomplish in space before worrying about how.

America's space program has lately put means before goals. NASA was allowed to anoint the shuttle as the nation's main vehicle to space. Even the agency now recognizes that was an error. The Air Force won't rely on shuttles alone and will build its own fleet of disposable rockets to launch satellites. NASA should do the same for commercial satellites, thus diverting some cargo now awaiting new shuttle flights. That may make a fourth orbiter unnecessary and make wiser missions more affordable.

The Rogers Commission on the Challenger tragedy called attention to "the relentless pressure on NASA to increase the flight rate." With that pressure relieved, shuttles could and should be reserved for missions that justify a risk to life. A modernized three-orbiter fleet should suffice to launch the shuttle-customized payloads still in the pipeline, like the Hubble space telescope and KH-12 spy satellites, and to service the few space missions that require a human presence.

Another argument against a fourth orbiter is that the shuttle's technology has grown obsolete. Donald Regan, the President's chief of staff, is right to wonder, Why build a vehicle of 1970's design that is meant to be operating well after the year 2000? The concept of a reusable space vehicle has merit,

but the present shuttle design is far from ideal. When James Fletcher, the new NASA director, was serving his first term as director in 1971, he won White House approval for a design that was cheap to develop but proved very costly to operate. That decision, as John Logsdon notes in Science magazine, "placed a large share of the burden of paying for the shuttle on its future users." Use of solid-fuel rocket boosters, with their inevitable failure rate, makes the design far from safe.

NASA could rely on rockets and its three remaining orbiters, and for a time even on rockets alone, during the decade it would take to develop a better shuttle. And if that means postponing the space station at which the shuttle is aimed, so much the better. The uses so far proposed for such a station don't add up to a compelling project. The agency could then divert resources to the scientific uses of space, particularly earth mapping, planetary exploration and astronomy, all activities of high value and prestige but long shortchanged because of overruns on the shuttle.

Such a program lacks one vital ingredient: a role for humans in space. In most practical missions, humans are a costly encumbrance. But to respond to the national sense of pride and adventure, a large space program needs a place for humans. Lacking Presidential direction, NASA contrived the manned shuttle. That was a space policy driven by means, not goals.

Why not first set the goal of manned space travel? A joint American-Soviet expedition to Mars would be a stirring adventure that could institutionalize some cooperation between the superpowers. With such a goal chosen, the design and schedule of space stations and supporting shuttles would follow.

Congress cannot decide space policy without leadership from the White House. It can postpone approval of a fourth orbiter until our goals in space are better defined. If production lines won't wait, let them be kept busy making the spare parts the three shuttles desperately need. If the Pentagon and intelligence agencies insist on a fourth orbiter now, let them pay for it. NASA's flight plan was outdated even before the Challenger tragedy; why on earth should we rush to resume it now?

Rotting in Warehouses: People

Peggy Dowling appeared before the Senate Committee on Aging recently to talk about the last days in the life of her "Gram," a Medicaid patient who suffered from a stroke — as well as from lax nursing-home supervision.

Members of Gram's family came to her nursing home each day to give her meals and thus could closely observe its standard of care. Sometimes they found her strapped into a chair, her paralyzed arm dangling on the floor. Often, her call button was placed on her paralyzed side or tied under the bed. When they complained, they were warned she might be put in a back section of the home where care was worse.

One night, Gram complained of stomach cramps and refused to eat. Her family asked the nurse to call a doctor, but the request was ignored for two days. Then, with Gram in extreme pain, her family called a doctor, who called for an ambulance. Gram died within two hours, of an intestinal blockage.

The story is not unique. A two-year survey by the Senate committee staff found that a third of the 8,852 nursing homes serving the most severely ill fail to meet the most essential Federal health, safety and care standards. About a thousand homes are in gross violation. "We have warehoused tens of thousands of our oldest, sickest citizens," Senator John Heinz said, "and the Federal Government isn't doing anything about it."

The committee report comes less than three months after a similar study by the National Acad-

emy of Sciences found that patients in many Government-certified nursing homes receive shockingly inadequate care. Supervision is lax and with nursing home beds in short supply, the Government seldom applies its only sanction — refusing to allow Federal Medicaid reimbursements.

None of that, however, dissuades the Reagan Administration from cutting Federal grants to the states for the enforcement of nursing home standards. The cuts would come just as a new inspection system, formulated under a 1984 Federal court ruling, is to take effect. New training and assessment procedures are essential to the new process, which puts more emphasis on patient comfort and less on paperwork.

The Senate report calls for strengthening the nursing-home inspection system and the national Long-Term Care Ombudsman program, under which federally funded ombudsmen in each state act as intermediaries in disputes between facilities and patients. The report also recommends, sensibly, that the current excess of hospital beds be used to help alleviate the shortage of nursing home beds and that the Federal Government clarify to the states what minimum items and services are to be covered by Medicaid.

By 2000, the number of Americans in nursing homes will have multiplied from 1.3 million to several million. Yet the Administration maintains its grudging attitude toward its court-ordered obligation to insure the quality of nursing home care. It has steadfastly kept its eyes shut to the need for more Federal supervision. When it chooses to open them, it will see an ugly problem, growing larger.

The Editorial Notebook

The First Father's Day

Most Americans view Father's Day as a happy coincidence of sentiment and commerce, a time to celebrate Dad with token presents, a festive meal, a weekend excursion. If they think at all about the origin of the holiday, they assume it to be the work of the greeting card industry.

In fact, there seems to be evidence tracing the roots of the holiday back to 16th-century France. Indeed, recent work by Prof. Julien Lévi-Pédant of the elite Ecole Supérieure des Etudes Démocratiques in Strasbourg makes it possible to piece some of the history together.

It has long been known, if little remarked, that a small religious sect under the leadership of a priest, one Guillaume Cravattier, flourished in southern Burgundy around the year 1500. For obscure reasons, he and his followers believed that the Crucifixion took place not in the Holy Land but on a hillside near the Burgundian town of Beaune, some 80 miles north of Lyon.

Let the Holiday Not Be Dismissed As Lacking History

After the Concordat of Bologna in 1516, Père Cravattier lost the protection of Francis I. A local bishop soon sarcastically dismissed him as the "Faux Terre Dei" and he was condemned as a heretic. Legend has it that he was helped to escape by sympathetic guards and made his way south by river boat, disguised as a silkworm merchant.

That would have been the end of the tale were it not for some bored religion majors at Oxford in 1926. Aching to rebel against the established order in an unrelentingly climate, they revived Père Cravattier's schism. Secretly calling themselves Cravattiers, they wore identical loud neckties. This may explain why it is now so

common to give ugly ties as gifts — but that's getting ahead of the story.

After spring term, four of the Cravattiers went south together by train to visit their parents in Cannes. On impulse, they embarked at Dijon and retraced Père Cravattier's route through the vineyard country, by taxi. They raised repeated toasts to good wine, to religious freedom and to "Faux Terre Dei."

Eavesdropping at the next table was an arriviste American eager to impress his friends with his culture. "Do you know what today is?" he asked after the Oxonians had departed. "It's June 15 — Father's Day." It was only a drunken misunderstanding, an unintended pun, but obviously it stuck.

Next, says Professor Lévi-Pédant, he'll explore why Americans celebrate another holiday, which this year fell on Sunday, May 11, known to the ancient Romans as Moth Thursday.

PETER PASSELL

Letters

Liberty Gala Is No Time or Place for Naysaying

To the Editor:

Your report that the Statue of Liberty gala in New York City has stirred mixed emotions for some American blacks (front page, May 30) made me very angry. In a democracy, the naysayers and crepe hangers have a perfect right to their opinions, but they usually are tearing down something rather than building it up.

While the centennial of the Statue of Liberty should be the liveliest celebration of the best this country represents, there are those in their ignorance taking cheap shots at it for their own political ends. Hundreds of thousands of West Indians take part in the West Indian Day parade every year, and a Brooklyn politician has a responsibility to know what his constituents are celebrating.

Millions of blacks have come here from our earliest history as immigrants; anyone working in the Schomburg Center for Research in Black Culture should be able to document this. Scholars can raise all kinds of caveats, but I cannot believe that you quoted John Hope Franklin correctly. The celebration of the statue may not mean anything to him personally, but he knows what it means symbolically for black immigrants who have come here from all parts of the world.

As for those of us whose ancestors came here as slaves, this centennial is not the time or place to deal with it. Are we as a people, black and white, ready to have some observation of this part of our history — a day of mourning, a national slave museum, monuments to outstanding slaves in town squares in the South, commemorative stamps? Hardly! About as close as we could focus on slavery would be late-night reruns of "Roots."

All the naysayers should back off. The Bicentennial celebration in New York was one of the brightest moments in the city's history. Surely there are enough blacks who will join with their brothers and sisters — immigrants or the children of immigrants — Sidney Poitier, Harry Belafonte, Paule Marshall, June Jordan, Shirley Chisholm, Gil Noble, Geoffrey Holder, Constance Baker Motley — in tipping their hats to the old girl for what she meant and still means to most of us.

WENDELL WRAY
Pittsburgh, June 4, 1986
The writer, former chief of New York's Schomburg Center, is professor of library and information science, University of Pittsburgh.

Mexico Must Do Better On Human Rights

To the Editor:

"Stop Bullying Mexico" (editorial, June 5) makes a strong case for more of a "good neighbor" role for the U.S. to help Mexico through its economic plight. Perhaps more cooperation between the two governments could help control the flow of drugs across the Rio Grande. And maybe service on the \$97 billion debt should be rescheduled and tied to the price of oil.

With this kind of help, Mexico might take some of the steps you suggest to get its economic house in order; it might attempt to feed its hungry and slow the flow of illegal aliens across our border.

We might add to your suggestions that Mexico get its house in order on the human-rights issue. What about the 400-plus "disappearance cases" that Amnesty International has documented? Our other concerns are with politically motivated killings; torture and ill treatment of prisoners and alleged poor treatment of prisoners' visitors, and imprisonment of those we consider prisoners of conscience.

Amnesty International published May 14 a report on human rights in Mexico, which ranks second only to Chile in our hemisphere in human-rights violations. A sorry record indeed, one that needs attention as a condition to our becoming a better "good neighbor."

JACK ACKER
KATHY KING WOUK
Amnesty International-Group III
Teaneck, N.J., June 7, 1986

Now the Good News About Tulane's Student-Athlete Solution

To the Editor:

"Shame Can't Cure College Sports" (editorial, May 27) proves once again that no good deed goes unpunished.

You correctly point out that participation in National Collegiate Athletic Association division I-A intercollegiate athletics involves, especially for the country's highly selective universities, unfortunate tradeoffs between academic standards and the imperatives of successful competition. But you would have done a greater service had you made your readers more fully aware of what Tulane University seeks to accomplish by adopting the recommendations of its select committee on intercollegiate athletics.

If you believe that academically selective institutions have no business participating in division I-A athletics, argue that point directly. This level of competition, however, is part of Tulane's culture and history, and we believe we can administer a program that is educationally honest, athletically competitive and nondiscriminatory. Were Tulane's new standards adopted by the N.C.A.A. for division I-A schools, intercollegiate athletics would be revolutionized.

While the average Scholastic Apti-

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.

The Wrong Symbol

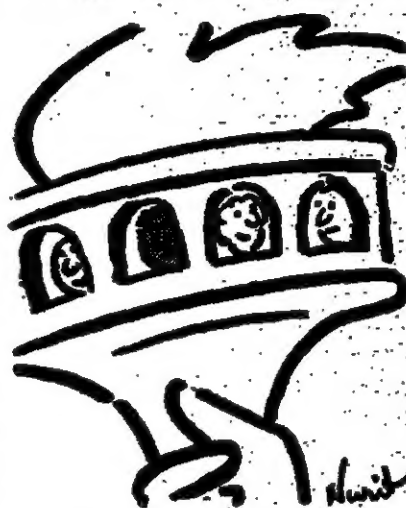
To the Editor:

There is a certain obtuseness in the views of those who, like the Liberty gala planner David Wolper (quoted in your front-page story on black mixed emotions), wish to stress that "blacks, too, were immigrants in this country."

The Statue of Liberty and Ellis Island can be symbols of promise and freedom to only a comparatively small proportion of black Americans. The ancestors of most, of course, arrived on these shores as chattel slaves, not by any stretch of the imagination as immigrants of free will.

Those who, like William Harris of Paine College, would rather have us mark, but perhaps not on the Fourth of July, the entire peopling of America — by aboriginal natives from Asia some 25,000 years ago, by voluntary settlers, by indentured servants from Europe, by contract laborers from China, by chained slaves and by border runners — have fresher and bolder imaginations for a festival truer to our entire shared heritage. That festival has yet to take place.

For most black Americans, the most appropriate symbols of their arrival on American shores would be a fetid and deadly slave ship and the auction square. And of their freedom and opportunity, so long denied and



uncertain still, the most fitting symbols are surely the Emancipation Proclamation and the site of the great march on Washington, the Lincoln Memorial. JAMES M. BANNER JR.
Washington, June 1, 1986

Key Role for African National Congress

To the Editor:

Further on "If Apartheid Is That Evil" (editorial, June 4): It is of the utmost importance that the United States Government rethink its policy toward South Africa. It is particularly important that it change its present attitude toward the African National Congress. Anyone who has any contact in the black townships in South Africa will soon realize that the A.N.C. enjoys wide support not only outside South Africa but within the country as well.

It is encouraging that the U.S. Government has called for the unconditional release of Nelson Mandela. However, this cannot take place in isolation from the unbanning of the A.N.C. It is only when all political organizations are allowed to organize freely within South Africa that there will be any possibility at all of a negotiated settlement toward a new South Africa, which will involve justice and freedom for all its citizens.

It is tragic that because of the failure of constructive engagement and the inconsistencies of U.S. Government policy there is overwhelming opposition to the United States from within the black communities in South Africa. The present impasse is not only tragic but also dangerous and not only for southern Africa but for the wider world as well. The United States has both the responsibility and the opportunity to play a creative role in bringing about the fundamental changes that are re-

Inspired by Lincoln

To the Editor:

Your May 30 article on black American reaction to the Statue of Liberty centennial reveals a wide variance in perspective and attitude within the ranks of distinguished black academics and rights leaders. A surface review of the origins and symbolism of the statue would lend some support to the contention that it neither relates to nor evokes the tragic genesis of the black experience in America and that its intended focus is upon voluntary immigration, primarily from Europe. That view is buttressed more by convention than fact.

A closer historical analysis reveals the splendid gift to have been inspired by the impact of the death of Lincoln on a liberal French nobleman, Edmond de Laboulaye, who, unlike Emperor Napoleon III, supported Lincoln's cause, particularly after the Emancipation Proclamation.

Laboulaye's first expression of gratitude was a medal financed by a subscription to which more than 40,000 French citizens contributed. It read, "Lincoln, an honest man; abolished slavery, saved the Republic and was assassinated, April 15, 1865." The medal reached Mrs. Lincoln with a note telling her "in this little box is the heart of France." Another letter from the citizens of Caen noted Lincoln had met his task, "without veiling the statue of Liberty."

Not satisfied with this gesture of appreciation, Laboulaye, again in 1865, suggested to friends, including the sculptor Auguste Bartholdi, a monument to American independence, for which France had fought.

As the first centennial of independence approached, the idea emerged to portray in some fashion "Liberty enlightening the world." Bartholdi's evolving concepts and the resulting monument are a part of history that is known. Yet had it not been for slavery, and the war that ended it, the train of thought and inspiration that led to our Statue of Liberty may never have left the station. Clearly, the agony, struggle and victory for black equality under the law was central to the concept for which the statue now stands. But for it, the "admirable spot" as Bartholdi described Bedloe's Island to Laboulaye, might still be bare.

JAMES W. SYMINGTON
Washington, June 5, 1986
The writer is a former member of Congress from Missouri.

Be Like an Eagle

To the Editor:

"Why Mr. Reagan Blundered on SALT," by Senator Albert Gore Jr. (Op-Ed, June 1) is timely and important. Yes, President Reagan has blundered on the strategic arms limitation treaty. More important, he is about to blunder on our national security and world peace.

SALT II was never a perfect treaty. Treaties are born imperfect or become so in time. What must be left when negotiators recess is a leadership and a people determined to have arms control. This does not call for sacrifice of national security, but sacrifice of time and effort to clarify and amend SALT II, especially in full light of impartial investigation and judgment of its minor violations.

People who want peace do not scrap treaties. We must sit and wait like the wary and dangerous eagle, holding tight the arrows of war but with our head inclined in the direction of the olive branch.

J. G. SADO
Philadelphia, June 2, 1986

The writer recently resigned after 12 years as an opposition party member of the South African Parliament.

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FOREIGN AFFAIRS | Flora Lewis

Message for Pretoria

The right reason for sanctions

PARIS
The future of apartheid has been settled. The question is no longer whether it will be abolished, but when, in what circumstances, and what will follow.

That is the message of Pretoria's decision to declare national emergency, and of the world's reaction. The surprise isn't that the regime and the people of South Africa have reached this painful confrontation, but that it took so long.

But this is no time to rejoice. Things will get worse in South Africa, possibly for a long time, before they begin to get better. Many will suffer for simply being there, apart from what they do and have done.

Nor does it behoove the rest of us to feel righteous or superior. The world record on racism is foul, not only between whites and blacks, but among whites, among blacks, among Asians and others. The difference is that other societies, though still not all, moved a little earlier to recognize the disgrace on the name of humanity.

The powerful minority in South Africa clings to selfish notions that were once widely shared. The Times of London recalls a whimsical example of passionate Afrikaner belief in unacceptable old ideas. A British sea captain visited Pretoria on his voyage around the world in 1897-98. President Kruger angrily corrected him. "You don't mean round the world, it is impossible. You mean in the world," since the world is certainly flat.

But there is nothing whimsical about stubbornly insisting that human rights depend on race. The outpouring of indignation has underpinned of embarrassment at South Africa's claim to be part of the modern world without recognizing the obligation to show moral as well as material advance. It is a reminder of how recently the West began to move on.

So it is necessary to express that obligation loudly and clearly enough to sweep away those old South African beliefs. The issue for outsiders is how to do that. There should be no illusion that sweet reason will suffice. The failure of the Reagan Administration's "constructive engagement" and the collapse of Commonwealth efforts to mediate make that clear.

Neither should there be any illusion that measures are available to force a peaceful solution from abroad. President P. W. Botha should be believed when he says: "We are not weaklings... If we are forced to go it alone, then so be it." Punitive action will have some effect but onlookers, however outraged, will not be decisive. The open questions will be answered by the people directly involved. The main reason for sanctions should be

understood as our own need to show what we now believe, our need to show support for those who fight for dignity and decency.

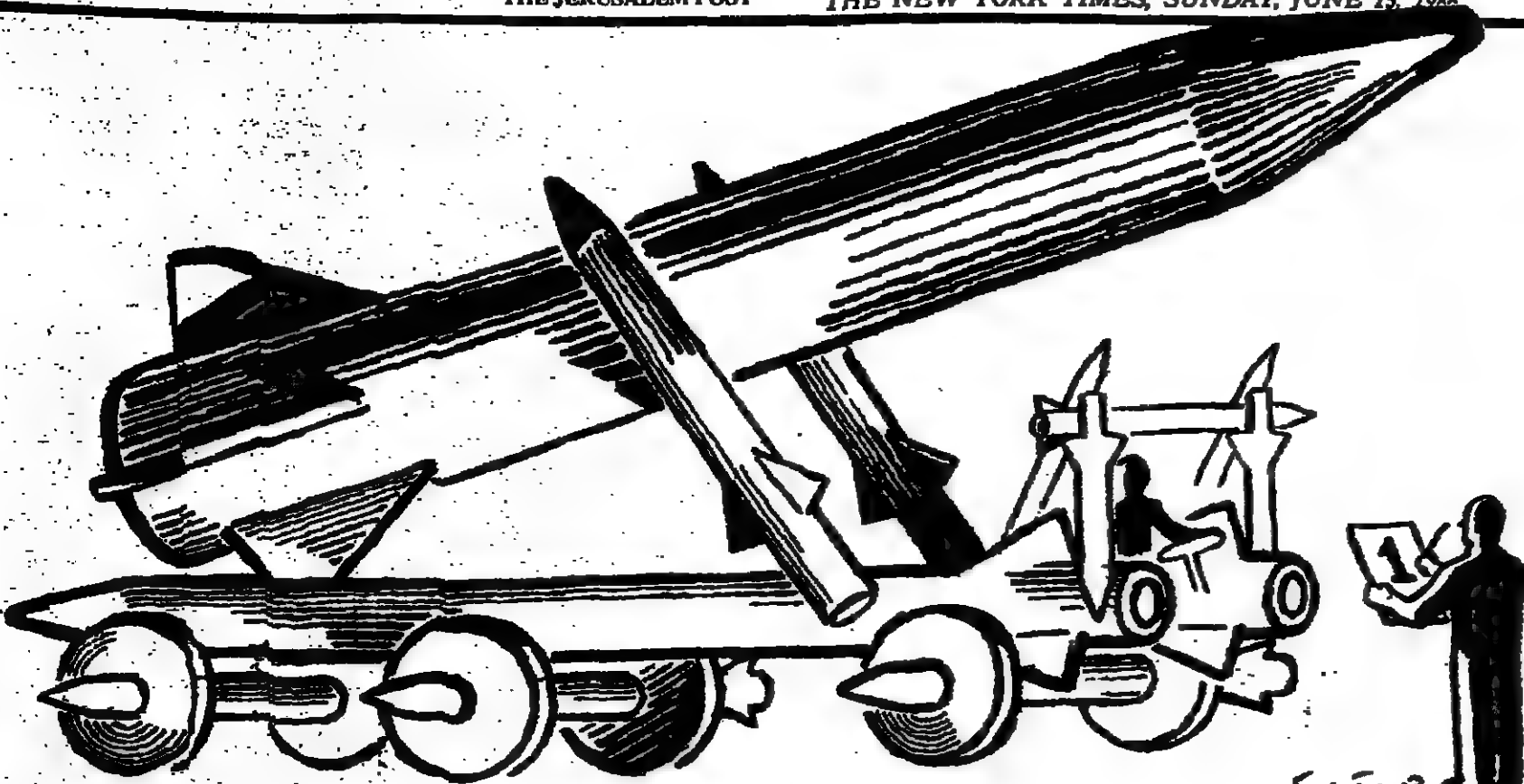
This is required for Western self-respect. But it is also wise policy because it matters enormously to the West whether the regime falls in protracted massacres, what comes afterward, and what preparations are made to deal with its successor. The principled and the practical point in the same direction.

So far as possible, the focus on sanctions to implement this stand should be the decision makers, the South Africans who can make a difference. Closing consular facilities and direct airlines out of Africa would be more than symbolism, for example. It would target the traveling and trading classes, primarily the establishment, since not many blacks and few dissident whites have freedom to move. Those who do would discover they too have some dependency on neighboring black states, not always the upper hand.

In the same way, the focus on incentives should be the development of black skills, of competent future leadership, helping the capacity for a functioning multiracial society to emerge. The real world never lives "happily ever after." There is always a price to pay for passage through an ordeal. The future should not be forgotten in the passion of the present.

The case is strong now for sharp, selective sanctions, withdrawal of finance, withdrawal of privilege, withdrawal of markets. The case is not clear for attempts to dismantle South Africa's economy. Specifics should be examined with an eye to the needs of the day after apartheid. As the relatively gentle case of the Philippines shows, it is much harder to put an economy back together than to rip it apart.

Australia's Malcolm Fraser said plaintively after helping write the Commonwealth group's report, "We are not trying to bring South Africa to its knees, but to its senses." That may be wishful. It is the right wish. Whether or not it saves lives in South Africa, which is the hope, it can save our senses.



Why Mr. Reagan Is Right About SALT

By Kenneth L. Adelman

WASHINGTON. — Bertrand Russell once remarked that we often defend most passionately those opinions for which we have the least factual basis. It is difficult to find any other way to explain the torrent of emotion that has greeted the President's decision that we are no longer bound by the second strategic arms limitation accord.

Even on its face, the case against the President's decision looks dubious at best. After all, the Senate Armed Services Committee agreed unanimously in 1979 that SALT II was not in the country's "national security interests." The treaty was never ratified. It never had the force of law. It never subsequently gained the support needed for ratification. The chief prediction of its critics — that it would permit a vast modernization and expansion of Soviet strategic forces — has come true, in spades. On top of all this, the Soviet Union is violating the central provisions of the agreement.

What could be more clear-cut? Why do critics say that the United States should continue to abide unilaterally by SALT II?

First, Soviet violations are alleged to be "peripheral." The President's critics would like to have it both ways. When SALT II was up for ratification in 1979, its supporters commonly cited three provisions as its main advantages: the numerical limits (on warheads-per-launcher and overall launchers); the prohibition on a second new type of land-based intercontinental missile; and the restraints on encoding test data. The Soviets are completely contravening the provisions on new missiles and encoding, and they have exceeded the limit on missile launchers. Provisions hailed as central when SALT II was being sold cannot be considered "peripheral" now that the Soviets are violating them.

Second, the Soviet violations are sometimes said to be "ambiguous" or unimportant. The new, SALT-violating SS-25 missile is not in any sense marginal. It is one of two powerful new land-based strategic missiles that the Soviets are now adding to their arsenal. In short, a major portion of the current Soviet buildup of land-based missiles is occurring in

Kenneth L. Adelman is director of the United States Arms Control and Disarmament Agency.

clear contravention of SALT II. The violation is clear since the throw-weight, or payload, of the SS-25 missile is not, as some critics continue to claim, just "slightly" greater than its alleged predecessor, the SS-13, but roughly twice that — clearly beyond the 5 percent increase permitted by the treaty. In addition, the Soviets' scrambling of their test signals is seriously impeding verification.

Third, it is sometimes claimed that the Soviets have dismantled 1,000 or more systems to comply with SALT. This is contradicted by the fact that the Soviets themselves claim to have dismantled only 540 weapons under SALT. More important, what the critics' figures really demonstrate are not the quantitative limits on the Soviet arsenal but the vast qualitative growth of the Soviet arsenal under the treaty. The Soviets dismantled more during SALT than the United States

He is not abandoning arms control

did because they built faster and modernized much more than we did. The majority of silos said by the critics to be dismantled became the homes of new, vastly more powerful missiles. The figures are less a testimony to SALT's effectiveness than a measure of what it failed to control.

Nor should we attribute the dismantling of any Soviet systems solely or even mainly to SALT. When new Soviet systems come on, old, obsolescent systems generally go. For example, 650 SS-4 and SS-5 medium-range missiles — unconstrained by any arms accord — were dismantled by the Soviets after the SS-20, a far more potent threat, came on stream. The claim that the Soviets' decisions to dismantle weapons during the period of SALT were necessarily due to SALT is a case of misplaced causality.

Fourth, critics claim that without SALT II the Soviets will vastly increase their warheads and accelerate the arms buildup. Projections of large increases in Soviet warheads — beyond the considerable increases already anticipated under SALT — are easily made on paper. In reality, such

changes are neither quick nor cheap — nor necessarily even militarily useful. For example, some critics claim that the Soviets would put 20 or 30 warheads on the SS-18 missile, instead of 10. But this is likely to undermine, if not preclude, the SS-18's main mission — that is, to destroy our missiles in their silos.

The basic notion that SALT is significantly constraining the Soviet buildup now, or would do so in the future, is an illusion. It presumes future compliance with critical provisions, when we already have seen clear and major violations of key parts of the treaty. Even while adhering to terms of SALT II, the Soviets have nearly doubled their strategic warheads, from 5,000 to 9,200. Under SALT II, the number could rise further to 12,000 by 1990. With or without SALT II, we envision a 5 to 7 percent growth in Soviet strategic investment every year as far ahead as we can see. With or without SALT II, we envision an all-new Soviet land-based missile force in the next decade.

If this is constraint, it is hard to envision a lack of constraint. With their defense spending running at 15 to 17 percent of their gross national product, the Soviets already have their accelerator near or on the floor.

Ironically, many of the critics who now base so much of their argument on predicting increases in Soviet warheads beyond those envisioned by SALT II (which did not explicitly limit warheads) used to tell us that warheads don't count. Back in the 1970's, when the United States enjoyed a 3-to-1 advantage in warheads, many of these same critics were arguing that "strategic superiority" and numbers of warheads were "meaningless" and could be bargained away without risk to United States security.

Fifth, it is argued that the President's decision is bad for our alliances. Despite extensive Administration consultations with the allies, there have been some allied disagreement and some adverse effects on allied public opinion. We naturally regret this. As the reasoning for the President's decision and the facts become better known, we hope this will change. We hope our allies' concerns will be alleviated.

But short-term popularity cannot be the criterion by which we judge the wisdom of policy. Our overriding concern must remain long-term strategic safety and genuine arms control. Continued adherence to an ineffective and unratified treaty that our adver-

sary is seriously violating is not cost- or risk-free either. As the President has said, what is needed are real reductions. Only this will ultimately provide a solid basis for mutual restraint.

Sixth, it is alleged that what the Administration wants is an "all-out arms race." This is simply false. Anyone who reads the President's decision and listens to what he is saying will see that he has provided a clear new formula for restraint that will be more effective than SALT. The President pledged, for example, that we will not increase launchers or ballistic missile warheads above Soviet levels. This is a serious pledge, one that creates real costs for a Soviet buildup and provides real rewards for Soviet reductions and restraint — just as genuine arms control should do. It is verifiable and do-able. In contrast, continued unilateral observance of SALT II in the absence of Soviet compliance would merely reinforce the dangerous idea that Soviet violations can easily be tolerated. It would also likely encourage even further violations and convince the Soviets to continue their drive for military superiority.

As the President has repeatedly made clear, what we want above all are serious negotiations in Geneva leading to agreements with which the Soviets will comply — to equitable and verifiable reductions in American and Soviet nuclear arsenals.

WASHINGTON | James Reston

The Congress Dissents

WASHINGTON
The balance of power between the President and the Congress is clearly shifting against the President, except perhaps in the negotiations for nuclear arms control. Most of the time it is now the Congress and mainly and ironically the Republican-controlled Senate that is dominating the decisions on the budget and tax reform, and increasingly challenging Mr. Reagan on defense and foreign policy.

This often happens in the last year or so of a President's second term, but there has seldom been a case where a President is as popular as Mr. Reagan and yet has so much trouble getting what he wants on Capitol Hill.

There are many reasons for this. For example, Mr. Reagan keeps demanding things he knows in advance he cannot get, and he refuses to pay for the things he wants.

He was back again in his latest news conference proclaiming the need for an amendment to the Constitution compelling a balanced budget, demanding another \$100 million for the Nicaraguan contras, and offering a mystifying clarification about why he was against the second Strategic Arms Limitation Treaty.

As so often in the past, he had to go on television to clarify his clarification, and this time finally he was precise. The treaty was finished for the U.S., he said, though he was willing to negotiate something a lot better.

In the same meeting with the reporters, he called for another increase in the defense budget but rejected a tax increase to pay for it; said he didn't mean to put Mr. Gorbachev in the same category as Castro, Arafat and Qaddafi, and remarked, "I find it difficult also to find any

The balance shifts against the President

cases of starvation and undernourishment" in the United States.

This sort of thing has gone on for over five years but the problems of the budget deficit and the nuclear arms race remain, and the new Republican leaders of the Senate have had enough of it.

Senator Robert Dole, the Republican leader; Pete V. Domenici, chairman of the Budget Committee, and Bob Packwood of Oregon, chairman of the Finance Committee, have provided the Senate with a new and assertive leadership, most evident in their remarkable handling of the tax reform bill.

They cooperate with the White House when they can, but when Donald Regan, the chief of staff, tells them he wants more for defense and no tax increase and urges them to raise revenue by selling off Government property, they see him politely to the door. As a matter of fact, the leadership of these three senators, among others, has made even many Democrats here wonder whether it would be good for the country if the Democrats were to win control of the Senate in the 1986 Congressional elections and turn the leadership over to Robert Byrd of West Virginia or some other Democrat.

The question is how to avoid an impasse between the White House and

the Congress between now and the 1988 Presidential election.

There is a present danger, for example, that the failure to reach a U.S.-Soviet verifiable arrangement for the control of atomic weapons may lead Mr. Gorbachev to conclude that no progress is likely until there is a different administration in Washington. And despite a recent Gallup poll showing that the American people continue strongly to support a nuclear freeze and a test ban, President Reagan may still decide to give up trying to reach a nuclear arms control agreement and instead just leave it to the next guy.

The President did tell the press the other day that he wanted to meet with Mr. Gorbachev and assumed that the Soviet leader was also willing to keep his promise for another summit this year. But they have not been able to agree on a date.

Meanwhile time is running out. The President will be involved in the Statue of Liberty celebrations early in July and then in the Congressional election campaign until November.

Despite the President's decision to scrap SALT II, the quiet indications from Moscow are that the summit might go on, probably in December.

Maybe even that late, it will be possible for the two leaders to give their negotiators new instructions; but any agreement will require bipartisan support and ratification by the Senate, and that will not be easy to achieve once the Presidential campaign begins in earnest after the Christmas holidays.

Accordingly, the need for a better understanding between the President and Congress is obvious, but there is little evidence this problem is being anticipated even between the White House and Republican Congressional leaders, let alone the Democrats.



Every message is at the mercy of its environment.

Every ad is affected by two forces: the other messages surrounding it, and the editorial environment it appears in.

This editorial and advertising rub-off, separately and together, has the ability to add quality, credibility and integrity to a message. Or subtract from it.

Which is why these times demand The Times. Its editorial environment contrib-

utes to every message it carries. Elevating it, framing it, separating it from the crowd.

The other messages sharing this environment do the same. For among them, they represent the finest products and services in the world.

So maybe, after all these years, McLuhan was right. The medium is the message.

These times demand The Times.

The New York Times

Humanizing Nuclear Weapons

By GERALD JONAS

Marshall Brickman says that he is "ambivalent about gadgets." He says this while sitting in a Manhattan office surrounded by word processing and stereo gear, a copying machine, an electric piano and an air-conditioner apparently set at "arctic." The sheet music on the electric piano is Bach's Six English Suites. A moment before proclaiming his ambivalence about gadgets he had announced, "I'm a clean copy freak," while excitedly paging through a thick instruction manual for a computer program called Scriptor that "sits on top of your word processing program and reformats your screenplay automatically." A moment after proclaiming his ambivalence toward gadgets he announces: "If I weren't a film maker I'd probably be a handyman."

The most recent screenplay that Scriptor helped Mr. Brickman format was "The Manhattan Project," the newly-opened comedy about a bright kid with a knack for gadgets who puts together a homemade atom bomb. Like much of Mr. Brickman's work for the screen (the three movies he co-wrote with Woody Allen — "Sleepers," "Annie Hall," "Manhattan" — and the two previous movies he wrote and directed without Woody Allen — "Simon" and "Loversick"), "The Manhattan Project" teems with ambivalence. The 46-year-old Mr. Brickman is too much a man of his time not to love the toys that modern science provides and too intelligent not to be terrified of their "downside" potential — such as the possibility that we will blow ourselves up with them, making it unlikely that anyone will get to hear Bach's Six English Suites again.

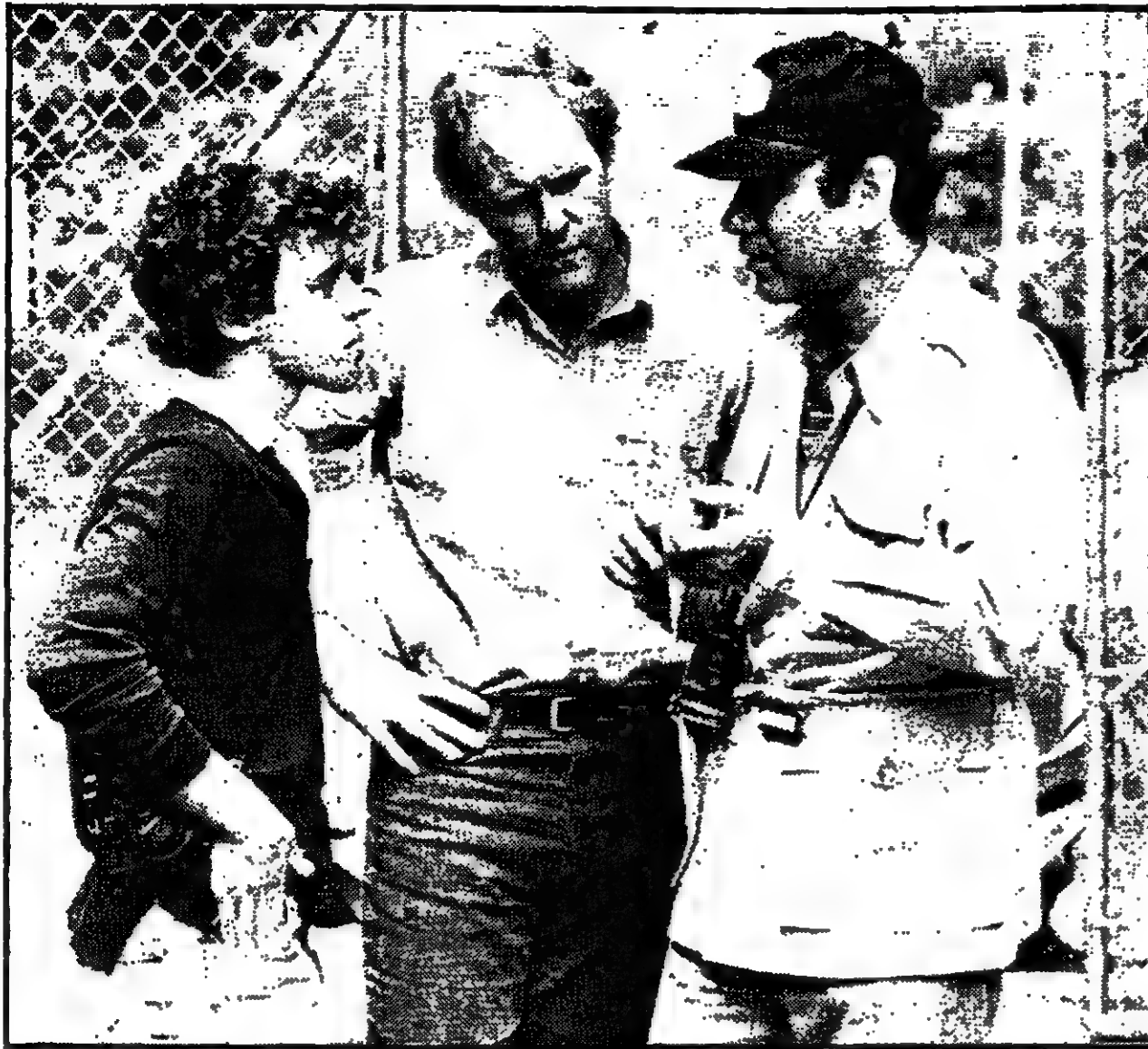
Bach is one of Mr. Brickman's heroes along with Charlie Chaplin, Stanley Kubrick and Freeman Dyson, the physicist who once worked on a project to blast a spaceship into orbit by exploding atom bombs under it and who is now an advocate of nuclear disarmament. "Bach had to write a cantata every Sunday, rain or shine. He also went around Europe consulting on the mechanics of organs."

— before he struck out on his own — when people wondered aloud if there was a "Marshall Brickman" or whether the name listed on the credits was one Mr. Allen's in-joke. A glance at the biographies of the two men only compounds the confusion. Like Woody Allen, Marshall

There are differences, of course. Woody Allen dropped out of college, whereas Marshall Brickman got degrees in science and music from the University of Wisconsin ("two worthless pieces of paper instead of one"). Also, Woody Allen has been called "the world's most unmarried bache-

the English approach to bringing up kids — treat them like everyone else only shorter. Sophie's first word was "rewind."

Working together, the Brickmans got to explore "every nook and cranny" of their relationship. He was not only director and co-writer of



Christopher Collet, John Lithgow and Marshall Brickman talk things over during the making of "The Manhattan Project."

Brickman grew up Jewish in Brooklyn, showed a talent for humor at an early age ("I was prone to funny hats and irony"), and went on to write jokes for big-time television (Mr. Brickman was head writer for Johnny Carson's "Tonight" show at the age of 27) before turning to the movies. Both men have also written humor pieces for The New Yorker, and are talented musicians.

whereas Marshall Brickman is not only married and has two daughters, 6-year-old Jessica and 2-year-old Sophie, but his wife and collaborator, the film editor Nina Feinberg, edited "The Manhattan Project" in the living room of their apartment on Central Park West. "We cleared out the furniture and moved in a Steinbeck and a Moviola, so Nina could work at home. We use the Italian rather than

"The Manhattan Project" but also co-producer. "You have an enormous emotional investment, you come home with 125,000 feet of film in which is buried a movie of some kind, and the editor tells you that the shot you waited two days for the sun to come out to get is causing the movie to drop dead and has to go. There's an ambivalence, tempered by the fact that she's your wife. I have had mo-

Arts & Leisure

ments when I wish... what can I say, that she won't read and say, 'Why did you say that?'"

There were also moments when the Brickmans looked at each other on a Sunday morning and said: "No one mentions the movie for an hour." On the whole, though, Mr. Brickman is delighted with the integration of his work and life. "My parents came from a generation that believed in keeping work separate from the rest of your life. I think that's crazy. Does changing a diaper impede creativity? In my case, it was necessary for me to get some structure into my life. The alternative was too terrible." He recalls his 20's — when he was not only a successful television writer but also a successful cabaret musician (guitar, banjo) — as the years when "I made a lot of important decisions based on how late I could sleep in the morning. I think of that period of my life as a faded black-and-white photo. The emotional color was missing."

Asked to describe himself, he begins with the adjective "nonthreatening," then adds "6 feet tall, boyish mid-40's, casually dressed." He refers to his Reeboks as "sneakers" not running shoes, because, he says, "they have never done any running except to get out of the way of cabs. I don't believe in jogging. It extends your life — but by exactly the amount of time you spend jogging."

The germ of "The Manhattan Project" was an article that Mr. Brickman read years ago in Scientific American on "laser separation of trans-uranic elements." The basic structure of the story ("that's the important part, dialogue is easy") was worked out in long sessions with his current writer-collaborator, Thomas Baum. Mr. Brickman is quick to scotch any rumors that Mr. Baum is an in-joke. "He exists, so far as we know, in Los Angeles, an ex-New Yorker who had a science-fiction novel published at 16 and was attending Harvard Medical School until he came to his senses and became a writer."

Paul Stephens, the 17-year-old hero of "The Manhattan Project" (played by 17-year-old Christopher Collet, whose previous credits include "Firstborn"), steals some plutonium from a secret weapons laboratory in his hometown. The director of the lab is played by John Lithgow, who is romancing Paul's divorced mother. Partly out of Oedipal jealousy and

partly to reveal to the community what the laboratory is up to, Paul builds an atom bomb out of second-hand parts and enters it in a science fair. In a long concluding sequence that has all the bizarre logic of the nuclear deterrence policy known as "Mutual Assured Destruction," Paul threatens to detonate the bomb in order to save his own life. This reduction of a madman triggers a moment of conscience in the Lithgow character, who until then has been more concerned with advancing his career than worrying about the uses to which his scientific genius is being put.

Mr. Brickman's eyes light up when he talks about the "gadgets" that his special effects man, Bran Ferren, brought together to create the weapons laboratory in the film. Much of the equipment was picked up cheap at the "twice-a-year garage sales" held at Los Alamos and Oak Ridge National Laboratories. "Acres of sheds full of surplus equipment, some of it dating back to the original Manhattan Project." He becomes equally animated talking about his involvement with the cinematographer Billy Williams in the technical side of film making — the choices of lighting and lenses and camera moves that can draw viewers into a scene and give the action a particular emotional tone. The entire movie is intended as a parable of the nuclear arms race scaled down to human terms. Its message ("even radioactive clouds can have silver linings") is that nuclear holocaust is not inevitable.

Can such a message be delivered by a film that refuses to take itself solemnly? "Do you want me to talk about that?" Mr. Brickman says. "O.K., helplessness is repugnant to me; as a father, as a piece of propaganda. My parents were activists. I don't believe you can't do anything. Humor is a reaction to anxiety. It gives you a useful distance from tension." As an example, he quotes not from his own script but from a joke his daughter Jessica brought home from school the other day. "This is a World War III knock-knock joke. World War III, O.K.? I say, knock knock, and you say who's there?"

"Knock knock."

Marshall Brickman sits in silence behind his writing desk, surrounded by his gadgets, waiting for the interviewer to get it.

Titles Tell the Story of a Dull Crop of Movies

By VINCENT CANBY

We're at that time of year when most of the movies available have titles so all-purpose that they're interchangeable.

What, for instance, is the title of the new melodrama about a father (Christopher Walken) who takes his sensitive, alienated elder son (Sean Penn) into his gang of professional thieves and nearly destroys the young man's life? "Big Trouble"? "Wise Guys"? "On the Edge"? "Short Circuit"? "Top Gun"? "Hard Choices"?

"Hard Choices" would fit — Sean Penn must make hard choices when he finally realizes that his father is not the glamorous con-artist he has imagined but a vicious killer. However, "Hard Choices" is another movie entirely. It's the film about the a pretty, upper-class social worker who engineers the escape from prison of an naive-teen-ager who finds himself in big trouble as a murder suspect.

"Big Trouble" would also accurately describe the situation in which Mr. Penn's character finds himself, but "Big Trouble" is the title of the John Cassavetes comedy about two would-be crooks (Alan Arkin and Peter Falk) whose plans to extort money from an insurance company short-circuit. Even "Short Circuit," "Wise Guys" and "On the Edge" (not to be confused with "Over the Edge" or "Jagged Edge") are possibilities.

All of these, of course, are wrong. The correct title of the Penn-Walken film is "At Close Range."

But then, when you come to think about it, "At Close Range" wouldn't be a bad alternative title for "Top Gun." This is the action movie about a United States Navy fighter pilot (Tom Cruise) and his radar intercept officer (Anthony Edwards), both of whom are wise guys, who get into big trouble during a dogfight at close range with some MIG-28's, and then must make hard choices to avoid a fatal short circuit.

You have to be in tip-top physical condition and have the mental alertness of a jet fighter pilot to be able to remember whether "Desert Hearts" or "Desert Bloom" is the title of the lesbian romance set in the Nevada desert. Both titles would serve equally well. The only way to tell these two films apart is to remember that one of them is about a bomb tests in Nevada, for which "Desert Hearts" is slightly more appropriate than "Desert Bloom." Do you follow?

This isn't a trivia game. It is, unfortunately, a report on the state of the art at the moment.

The vast majority of the movies that have been released so far this year are so without character that they invest their titles with no identity. At the same time, the titles, being commonplace, fail to evoke the experience of a particular movie. Thus it's not surprising that, as Variety reports in its June 4 issue, movie theater box-office returns for the first five months of 1986 are the lowest they've been in four years — in terms of both dollars and the number of tickets sold.

The banality of titles certainly isn't to blame, but it's symptomatic of the dullness of most of the films being sent into the theaters in ever-increasing numbers. (Between Jan. 1 and May 31 this year, The New York Times reviewed 171 films, compared to 152 in the same period in 1985.)

Though distinctive titles cannot make hits out of flops, good and/or extremely popular films can make banal titles appear to be distinctive. The huge box-office response for Sylvester Stallone's "Rambo" and "Cobra" make those titles memorable, whether you like them or not. Taken by itself, "Raw Deal," the title of Arnold Schwarzenegger's new film, brings absolutely nothing to mind (it might, in fact, be equally appropriate for either "At Close Range" or "Hard Choices"). However, if the

Schwarzenegger movie turns into a hit, "Raw Deal" will seem to belong to that film and no other, even though after the fact.

There are some film makers who, like some playwrights and novelists, seem to be unable to choose uninteresting or unevocative titles. These directors' titles have an immediate identity, even before you know what the films are about.

Martin Scorsese has the knack ("Mean Streets," "Taxi Driver," "Raging Bull," among others). So does Billy Wilder: "Sunset Boulevard," "Ace in the Hole" (changed to "The Big Carnival" when the initial box-office returns were poor), "Love in the Afternoon" and "Some Like It Hot." His titles are indelible even when the films, including "Kiss Me Stupid" and "Avanti," aren't.

It may be a coincidence — though I doubt it — that three of the best films of the year to date also have three of the year's best titles: "Hannah and Her Sisters," "My Beautiful Laundrette" (a title that meant absolutely nothing until associated with the film it identifies) and "A Room With a View," which is, of course, as the Oscar people like to say, "based on material from another medium." (Being dead, E. M. Forster might be amused at finding himself described as "another medium.")

Each of the biggest money-making movies of the year so far possesses an uncharacterized title that has acquired a particular identity only by its box-office success: "Cobra," "Top Gun" and "Short Circuit." The Stallone reputation and the subject matter have pushed "Cobra" over the top (which is the title for the star's next film). However, both "Top Gun" and "Short Circuit" must be said to represent triumphs for the people who designed their advertising and publicity campaigns. Neither is pre-sold by anything as solid as Mr. Stallone's reputation.

"Top Gun" is an ordinary military adventure film, "toplining" (as Variety likes to put it) a new young actor of star potential (Tom Cruise) and separated from all other recent action movies by some truly spectacular aerial photography. I can understand why that combination is paying off at the box office.

I'm baffled, however, by the success of "Short Circuit." It's an extremely amiable, Disney-like comedy (about a robot who becomes, to all intents and purposes, human). Yet, though it warms those hearts that are susceptible to anthropomorphic hardware, it's very, very mild. Perhaps only in a season as bland as this one could "Short Circuit" be so enthusiastically received.

The one other mass-market movie that's making a dent at the moment is "Poltergeist II." It's not so much a sequel as a smuggy Xerox of the classy original, produced by Steven Spielberg and directed by Tobe Hooper. Considering the popularity of the first film, "Poltergeist II," was, clearly, a presold commodity, a film that, because of its title, could be computed to do a certain amount of business even before any scriptwriters had been assigned.

In conjunction with all of the other "2," "3," "4" and "5" movies ("Jaws," "Death Wish," "Halloween" and "Friday the 13th," among others), the title of "Poltergeist II" may also be pointing the way to a new means of identifying movies in our microchipped future.

Instead of forcing our film makers to push their imaginations to the breaking point, in order to come up with titles as distinctive as "Hard Choices," "Raw Deal," "Wise Guys," "Big Trouble" and "Short Circuit," why not simply identify all movies by serial numbers, like those on social security cards and license plates? This would acknowledge the scarcely humiliating fact that not many of our screen writers are poets — few of them pretend to be. It could simplify bookkeeping. If current evidence is to be trusted, words are going out of style anyway.

By taking this one, breathtaking leap, movie makers would land in the 21st century they've been anticipating ever since Georges Méliès's "Voyage to the Moon" (1902).

Redundancies

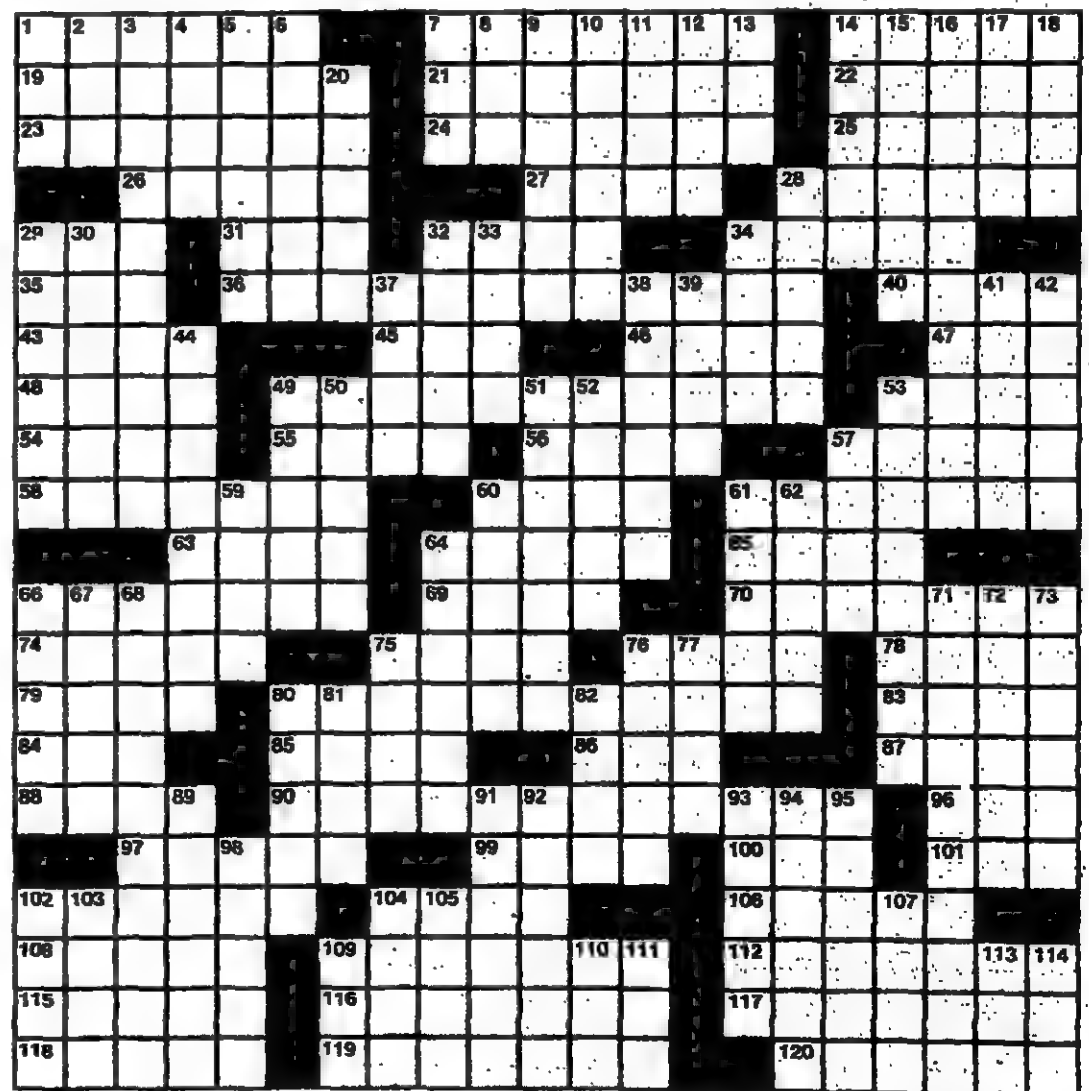
BY RICHARD SILVESTRI/Puzzles Edited by Eugene T. Malachuk

ACROSS

- 1 Meals for dieters
- 7 "The Heart of Dixie"
- 14 Something to drive
- 19 Dramatic principles
- 21 Crusader's foe
- 22 One-for-one transaction
- 23 Trap
- 24 Artificially formal
- 25 Shortstop's asset
- 26 Carried
- 27 Jealousie feature
- 28 Angled a plane
- 29 Ethiopian prince
- 31 First of the cardinals
- 32 Palmist's words
- 34 Downy duck
- 35 N.T. book
- 36 Dark red rope
- 40 Cold and wet
- 43 Coward
- 45 Literary snippets
- 46 Where Perry triumphed
- 47 Large cask
- 48 Curved molding
- 49 Undresses combos
- 53 Bog down
- 54 Member of a German noble house
- 55 Cape Canaveral letters
- 56 Cob or cock
- 57 Feet
- 58 Intuitively
- 59 Settles down snugly
- 60 Invoice
- 61 Stores fodder
- 62 Idyll maker
- 64 Agree
- 65 —impassé
- 66 End of a freight
- 68 Reformer Jacob
- 70 Laura Lee Hope's —
- 71 Twins
- 74 Scrap a mission
- 75 Merit
- 76 Cauda
- 78 Heine's —
- 79 Troll
- 79 Proximate
- 80 Heading for April
- 83 River to the Mosel
- 84 Seidel filler
- 85 Dismounted
- 86 Go amiss
- 87 Black, to Blake
- 88 Not so much
- 89 Transports
- 90 Boots by jilney

DOWN

- 1 Take to court
- 2 Miller of dancing fame
- 3 Catalogues cobblers' items
- 4 Periodic-table listing: Abbr.
- 5 One-celled alga
- 6 Evening love song
- 7 The law, to Mr. Bumble
- 8 Relative of long.
- 9 Originates
- 10 Tallchief's forte
- 11 Proceedings
- 12 Become acquainted
- 13 Moreover
- 14 Cremona instrument
- 15 Stretched one's neck
- 16 Indecent reprimand
- 17 Nose out
- 18 Garden
- 19 Undesirable
- 20 Passover feast
- 25 Waits
- 26 Fame
- 29 Highest point of orbit
- 32 Old Greek region
- 33 Photo
- 34 Beloved of Geraint
- 37 Birme gear
- 38 In truth
- 39 "Where the Bee Sucks" composer



ANSWER TO PREVIOUS PUZZLE

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JUNE, and the thermometer climbs to well over 30°C, and there are days of dry *hamsin* winds. No rain. The really hot part of the summer has begun, this year simultaneously with drastic restrictions in water supply. Not only farmers, but also amateur gardeners face problems.

These problems are especially felt when summer flowers start to bloom, and vegetables and kitchen herbs recently set out need watering more than at any other time. Water, that simple combination of hydrogen and oxygen (H₂O), is the most essential element for all living things. Plants generally consist of 95 per cent water. Soil would be of no value to them without water, because plant food can only be absorbed in liquid form. Nutrients are taken in by roots or by the minute pores of the leaves (foliar feeding).

Most plants during their growing season need 2-3 waterings a week. Sandy soils and those with a gravelly subsoil need more water than heavy ones (red soil, clay or loam).

Although plants cannot live without water, too much water can kill them. The experienced gardener with a quick glance knows whether his plants need water. A real good soak is sometimes better than frequent light sprinklings. Light watering does more harm than good to plants. Roots naturally penetrate deeply into the soil, where moisture is present. Deep-rooted plants withstand drought better than shallow-rooted ones.

How to preserve the soil's precious moisture? Repeatedly I have stressed two means: cultivation and mulching.

Several light shallow hoeings (also helpful in removing weeds and destroying antheaps), with a two-tooth or similar cultivator with a long handle, is recommended; and so is mulching all summer-flowering plants, like roses, dahlias, gladioli, canna lilies, agapanthus, etc.

Mulching is also recommended for younger fruit trees, ornamental shrubs and vines, as well as for all of the summer-fruited vegetables like tomatoes, peppers, eggplant, beans, cucumbers, etc. Mulching is one of the best ways to conserve moisture. A 5-10 cm.-thick layer of mulch can cut water loss due to evaporation by as much as 50 per cent. A good mulch also conserves moisture by controlling weeds, which can't grow without light. A thick layer of mulch blocks light most effectively.

Plants in balcony containers, clay pots and hanging baskets, however, should be watered regularly, or they will face death by drought. Faced with a restricted water supply, you should water those plants with the most value first, and also those that are the least drought-resistant.

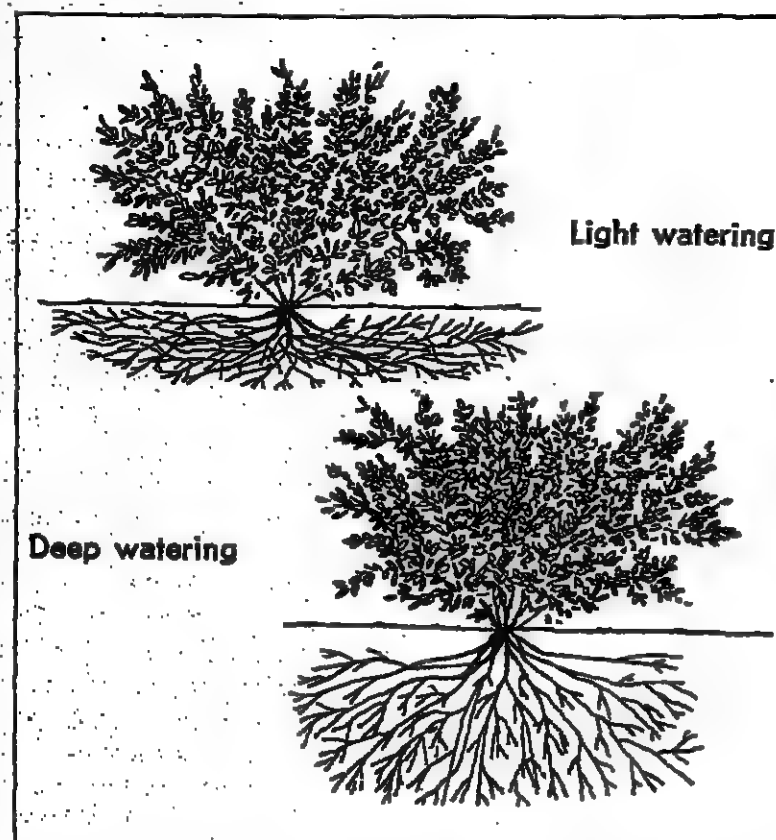
Water shortage - an eternal problem. A recent broadcast on the radio compared the last, nearly rainless, winter with similar occurrences during ancient times, and mentioned how our ancestors dealt with such situations.

We were told that there have always been occasional periods of drought in the Mediterranean region. In the Bible Joseph speaks of seven years of plenty and seven of famine.

Large pools for storing rain water, known as Solomon's Pools, were built in ancient times in the vicinity of Hebron, and connected by a system of visible and underground channels to Jerusalem. The pools (serving as swimming pools during the British Mandate) and parts of the

Ancient headache that won't go away

GARDENER'S CORNER / Walter Frank



channels have been well-preserved till today. Ingenious ancient engineers also built a long tunnel at Megiddo with numerous steps hewn into rocks, which at its lowest end reached a sweet-water well. Similar protected underground wells can be found also in Hatzor and Givon. From ancient times until today water has been a major factor of the life of this country. Natural water resources are limited in Israel, and we have to learn how to act in emergencies.

Chronicles II also tells how "Hezekiah stopped the upper water course of the Gihon and brought it straight down to the west side of the city of David" (32:30). The city was besieged by Sennacherib, and water was an all-important security consideration. For nearly 2700 years the waters of the Gihon have flown through Hezekiah's underground channel, some 530 metres long, a masterpiece of ancient Jewish engineering, which is an attraction for visitors to the Old City.

The Romans and later conquerors built aqueducts for their water supply. Ruins of some still stand between Acre and Nahariya as well as near Caesarea. The first modern Jewish settlement in the desert, Kibbutz Beit Arava, near

Jericho, used the water of the Jordan to wash out the heavy salt content of their ground. The sandy, salty desert became fertile during the early Thirties, and when the first earthworm was found there, a celebration was held for the desert had been conquered.

Kibbutz Yodvata near Eilat and the hydroponic farms in its vicinity used brackish water from an old well, with a rich mineral content for their crops, and in Eilat desalination provides the population with drinking water from the Red Sea.

In many places in Israel, from the Golan Heights to Jerusalem and to Yeroham in the south, artificial lakes and basins have been built as emergency storage precautions. The main water supply for the whole country is the Kinneret from which water flows south, partly in open channels and partly in giant underground concrete pipes. But all these resources are not enough to overcome the troubles presented by a drought lasting years. As long as the winter rains and the melting snows of the Golan Heights and Mount Hermon don't fill the Kinneret to capacity, our national water resources will be limited, and we shall be obliged to restrict our watering of fields and gardens.

DAHLIAS have been flowering for several weeks, and their unrivalled colour performance will continue until late summer, and even fall autumn if given the right treatment. Dahlias will grow naturally but one main stem is unlikely to branch and provide enough of the best-quality flowers. When additional sprouts come out from the roots, they should be eliminated by pinching. Pinch out the top two pairs of leaves as soon as four pairs are formed and allow three or four stalks to develop. If you didn't put in a stake together with the planting of the tuber, do it now, because the dahlia's hollow stems may break during strong winds. Use a soft but strong string binder (special ones for plants are being sold now at nurseries and household supply shops). The binder should be tied tightly to the stake and loosely around the plant. Further support should be given every 20 cm. of growth.

Disbudding should begin when one main and two smaller buds appear at the top of the stem. Best flowers result when side branches and minor buds are removed, leaving only the strongest (terminal) bud and perhaps a branch at the lower end of the stem. Disbudding can be done by your thumb and forefinger.

Small (miniature) bedding dahlias need no stakes and no disbudding. Mulching will provide the cooler temperature that dahlias like. A thick mulch will also keep weeds in check and help conserve needed moisture. You may reduce watering, but don't let your dahlias dry out, because it is difficult to get them back into growth and flowering. As soon as terminal buds are set, give each plant a full bucket of diluted compost tea (2 litres of sieved compost or cow manure, well mixed with 8 litres of water). Dahlias like potassium additions. It has been found that applications of wood ashes result in healthier, more vigorous growth.

Day Lilies (*hemerocallis*) are among the first flowers to show their colour in June. There are 7 flower buds on one long stem (therefore the name "day lily," one for each day of the week). Bud after bud opens every day to show a nice, lily-flowered flower in yellow or orange, which fades quickly at night. A nice performance, but unfortunately one lasting one week only.

This is one of the easiest bulb flowers to grow. After all of the day lilies fade, reduce watering gradually. In fall you can lift them from the soil and propagate by division. I always promote the idea of planting summer-flowering bulbs. They are so easy to grow, relatively cheap and they produce year after year for a long time. You can also grow them in containers and move them when their flower buds appear, to wherever you want. Now it's their time and if they haven't yet bloomed where you are, all that is required is a little patience: Summer-flowering bulbs include: agapanthus, fritillaries, gladioli, alliums, *hymenocallis* (*ismene*), *triglochin*, *gloriosa* and many other kinds of lilies. In my garden I have a tiger lily (*Lilium tigrinum*), which has been growing there for 14 years and still blooms each year at the same time. Summer-flowering bulbs should be sown March-April.

Sunflowers (*Helianthus annuus*, *hannus*) are in full bloom now. They may be sown again in well-manured and deeply dug ground. They'll flower in early September.

Before you buy...

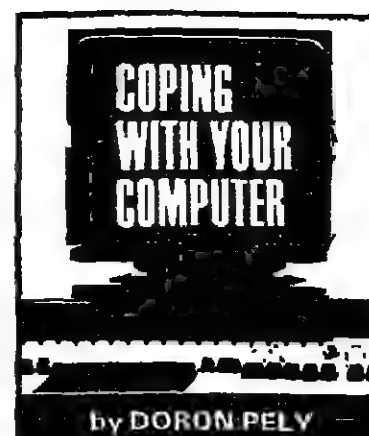
SO YOU WANT to buy a personal computer? Before you pull out your cheque book and sign away a large chunk of your savings, stop and consider: do you really need a computer at home?

Israel is now in the midst of a personal computer (PC) buying craze. Exact numbers are hard to pin down, but estimates put the number of PCs sold in this country in the last three years at 50,000-70,000. Many hundreds of those computers serve as expensive dust collectors.

It pays to tally up in advance the jobs for which you think a personal computer might supply an economic solution. A market study, consisting of demonstrations and explanations, will acquaint you with the various off-the-shelf programmes that can aid you. The best approach is to fit a computer to a desired application, not to buy a computer and then try to find something for it to do.

Parents are anxious to supply their kids with adequate computer literacy, but a computer at home might not always be the best way to do it. If you're not sure your children will actually use a computer for more than an occasional video game, don't buy one to find that out. First let them loose in as many computer stores as possible and watch their interaction with the various machines.

ASSUMING you have decided that your family just can't do without a computer, buy as complete a system



by DORON PELY

as you can afford (computer, disk drives, monitor and printer). Many parents try to save money by purchasing a monitorless computer, on the assumption that the good old television set can double as a computer screen. Technically this is possible, but clashes between conflicting computer and TV show timetables will soon foil your joy and everybody else's.

The newspapers are full of ads promising IBM or Apple clones (popularly known as compatibles) for half the price of a brand name computer. Compatibles are not necessarily a bad choice, but the formula "you get what you pay for" applies to computers, too. Some compatibles are cheap copies of the originals, containing lower-quality components and manufactured

under less strict quality control measures. Others are well-engineered machines. One simple test of quality is to shake a compatible's keyboard and watch the monitor to make sure that no random characters appear on it due to poor construction. Don't let the low prices blind your sense of judgment. Also, make sure there's a signed service agreement for your computer. A fatherless computer is a guarantee of disappointment and frustration.

If you decide you need a computer for word-processing, there's no need to buy a machine powerful enough to take you on a simulated flight to the moon. What you probably need is a good "user friendly" word-processing programme, mounted on a computer with a reasonable amount of memory (128-512 Kbytes RAM and two floppy disk drives) and a good monitor, whose display is clear and sharp.

Now that you've taken the big step and a good-looking computer adorns your home, don't let it just stand there. The variety of its applications is almost limitless. Users' clubs, courses and almost daily innovations, about which computer vendors will update you, can help you and your children enter the computer age.

This is the first of a new series of fortnightly columns designed for computer users.

The writer is editor of Anashim Vemashivim (People and Computers) magazine.

Adopting an older dog

IF YOU have decided that you will adopt an older dog instead of raising a puppy, you may have just made one of the best decisions of your life. To properly house, train and educate a puppy, you have to be at home most of the time. Since not every person can do this, many people are wise to opt for an older dog. This is also true for the aged and the handicapped, because training a puppy is often too strenuous for them.

There are a number of ways to adopt a dog. You may see a notice in the newspaper or a sign in your neighbourhood shop or work place. Many of these offers come from people who are leaving the country and cannot take the dog with them. In many cases, this is an exceptionally good opportunity, since these dogs already know most of the basic rules for living happily with humans. Another possibility is to pay a visit to the local dog pound or the SPCA animal shelter, and find just the dog you want. If you like the dog and the dog likes you, the chances are highly in favour of a successful adoption. Many beautiful and loving animals are available through the pound and the shelter. Many of them may have to be killed if no home is found for them.

If you adopt a bitch from the SPCA, the officials will also spay her before you take her home, thus assuring that she will never have puppies. This is not, as many think, a cruel practice but a very sane one.

ONCE YOU have adopted the dog, remember that this animal comes with a certain set of experiences and conditioned behaviour, and some of them may not be exactly to your taste. If this should be the case, have patience and gently retrain the dog to the behaviour you want and expect.

If, for example, the dog has previously been allowed to sit on sofas and chairs and you prefer that it doesn't do this, don't get angry or rough. The dog has not the faintest idea that what it is doing is "wrong" in the new situation. Patiently re-



Furs, fins and feathers
by D'vora Ben Shaul

move the animal from the place where you do not want it to sit and tell it firmly, "no." It usually doesn't take long for a dog to accept the new rule. But dogs are easily confused and distracted by aggressive and pressure-causing attitudes. They can get so confused by your anger at what they had accepted as the ground rules of behaviour that they can suddenly fail to understand anything at all.

Dogs in new surroundings are often "fussy eaters," but this will eventually change. The dog will get accustomed to the new diet you offer. Don't be afraid the animal will starve if it initially rejects unfamiliar food. Just be patient and reassure the animal until it accepts the new

food. The animal needs just as much time to get used to you as you need to get familiar with it. And because dogs are highly territorial, it also takes a bit of time before the new dog feels the premises are its own property. I knew one family that returned a lovely dog to the shelter after only 24 hours because they wanted a watch dog and this dog didn't bark at anyone who entered the house during that first day and night. But why should it have barked? Do you start making rules about who can do what when you are a guest in a strange place?

Be sure and take the newly adopted dog to the veterinarian at once. You usually have no idea what vaccinations it has already had, and it is far better to repeat them than to get a nasty surprise in the form of a sick dog who never had a shot against parvo virus or distemper. Unless it is from the shelter, it may also need treatment against worms and a good bath against external parasites.

It will take a few weeks before you know the dog well enough to tell just what it does or does not know. You may be in for some pleasant surprises as you start to discover what a clever animal you have chosen.

If the dog needs training, wait a few weeks and gain the animal's love, trust and obedience before you start training lessons. Adoption of a pet is a mutual experience and should be pleasant for the human and the animal alike; keep in mind that love and patience go a long way towards making this so.

THE ISRAEL AUCTION MART LTD.

Listed below are some of the properties that are offered for sale at our first auction to be held at the Tel Aviv Hilton Hotel on Monday, 28.7.86

Ze'ev Towers, Horon St., Ramat Gan.

The Diplomat Hotel, Jerusalem

The Diplomat Hotel, Tel Aviv.

The Life Building, Tel Aviv.



The Marina Hotel, Tel Aviv
The Marina Hotel, Bat Yam
The President Hotel, Jerusalem
The Orgil Hotel, Jerusalem
The Orgil Cinema, Jerusalem
The Life Building
Internal Parking Area, Tel Aviv
Parking Lot
at Kikar Atarim, Tel Aviv
Thrifty Rent-A-Car (in its entirety)
Jerusalem Gardens Hotel



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- ★ Herzlia Pituach, 4 level villa on site of some 2137 sq. m. with the possibility of further development.
- ★ Ramat Hasharon, 5 level villa on a site of approx. 1000 sq. m.
- ★ Netanya, Luxury penthouse with swimming pool, near the beach
- ★ Agricultural Land, More than 191 dunams, Bnei Ayish, near Ashdod
- ★ Caesarea, 240 sq. m. modern villa on a site of some 1150 sq. m.
- ★ Jerusalem, 280 sq. m. house on 4 levels near Shmariahu Levine.

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WHAT'S ON

Notices in this feature are charged at NIS 8.90 per line, including VAT. Insertion every day of the month costs NIS 138 per line, including VAT, per month.

JERUSALEM Museums

ISRAEL MUSEUM. Exhibitions:

Joel Karito, Photographs of Israel • One Hundred Words on Paper, from the Museum's collection "A Man and His Land." Moshe Dayan collection of Israel Art • News in Antiquities • Nerot Mizraim - Ideas for light in Jewish ritual • From the Depths of the Past - ancient Carml coast charges (Rockefeller) • Indian Paintings from Poley collection • The Holy Land, maps, views, photographs, 15th-19th centuries (until 21.8) • Permanent exhibition of archeology, Judaism, ethnic art. VISITING HOURS, MAIN MUSEUM: 10-5. At 11: Guided tour of Museum (English). Thurs. (even of Shevrod): Main Museum 10-5, At 11: Guided tour of Museum in English. 3. Guided tour of Archaeology galleries in English. 8: Concert Plus, with Ankor Children's Choir and soloist Yael Lorch.

EXHIBITIONS

ISRAELI MAP HOUSE, Old City, 7 Beit El St. 288338, 423547. Roberts, Turner, etc.

L.A. MYSTER MEMORIAL INSTITUTE FOR ISRAELI ART. Visiting hours: Sun-Thurs. 10-1; 3-5 p.m. Fri. closed. Sat. and holiday even. 2 p.m. Hagapalm St. Tel. 02-6612912. Bus No. 15.

Conducted tours

HADASSAH - Hourly tours of the Chagall Windows at Kinyat Hadassah on the left hour. * Information, reservations: 02-46533, 02-46671.

UNIVERSITY

TOURS TO ISRAELI MUSEUMS

1. Tours to Jerusalem 8 and 11 a.m. from Administration Building, Givat Ram Campus, Buses 9, 23, 24 and 16.
2. Mount Scopus tours 11 a.m. from the Administration Reception Center, Sherman Building, Buses 28, 36 and 32 to the first underground stop. Further details: Tel. 02-828219.

AMIT WOMEN. (Formerly American Mizrahi Women). Free Morning Tours - 8 Almit Street.

ORT. To visit our technological High Schools call Jerusalem 535411; Tel Aviv 395711, 235231, 240429; Jerusalem 39744.

Information Centres

UJA INFORMATION CENTRE, 1 Ibn Gabirol St., Rehavia, Jerusalem. Features TV news programmes from the U.S., continuing to Newsday, videotapes.

UJA (United Jewish Appeal) sponsored programmes in Israel. Open Sunday-Thursdays, 3:00-7:00 p.m. For more information call 02-245455, 02-240755.

TELA VIV

MUSIC

TELA VIV MUSEUM. Exhibitions:

Edward Munch, prints: Death, Love and Anxiety. Print Into Print, works by six Israeli artists. Frank Stella - Had Gadya - a series of large prints by Frank Stella, etc. El Lissitzky's gouaches • The Want of Material in Israeli art. 21 elite Israeli artists show their work of the last 25 years. VISITING HOURS TODAY: 10 am-2 p.m.; 5-8 p.m. Tel. 5244. Suburban pavilion. Closed for installation of new exhibition.

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AMIT WOMEN (Formerly American Mizrahi Women). Free Morning Tours - Tel Aviv, Tel. 220187, 233154.

JERUSALEM. To visit our technics call Tel Aviv, 222399; Jerusalem, 226560; Haifa, 88817.

PIONEER WOMEN - N.A.M.A.T. Morning tours. Tel Aviv, 210791; Jerusalem 244878.

HAIFA Museums

HAIFA MUSEUM, 29 Shevrol Levy St. Tel. 04-523258. Exhibitions: Modern Art - Material - a Medium of Expression; Pop Art - The Art of Consumption; Livit: Absorption/Informel, Ancient Art - Jewish coins of the Second Temple Period, Egyptian tessles, terracotta figurines, Shikmona finds, Mosaic and Ethnology - Jewish customs 2000 years ago, pieces from the Felt and Nylon Centik collection, U.S. Jew. coin - Sun, Star, and Sat, 10-1; Tue. and Sat. also 5-8. Tickets includes admission to National Museum and Prehistory Museum.

Miscellaneous

WHAT'S ON IN HAIFA, 04-5404240.

CINEMAS

JERUSALEM 4:30, 7:30, 9:30

Edison: P.O.W. The Escape; Edison: Runaway Train; Mabel: Youngblood; Kfir: 3 Men and a Cradle; Mitchell: Kiss of the Soldierwoman; 5:15, 8:30; Orgit: Fantasia 4:30, 7:15, 9:30; Orion Or: Iron Eagle 4:30, 7:15, 9:30; Orion Or: Miami Super Cop; Oran: Girl from Trieste; Bort: After Hours; Bessal: 9½ Weeks 7:30, 9:30; Bessal: Beyond Me: Out of Africa 6:15, 9:30; Bels Agrest: Back to the Future 4; Great Eyes of the Soldierwoman 8; Falling in Love, midnight; Camus: Casablanca; Gaslight; Le Femme du Boulanger 7; Dial M for Murder 8; Eve 8:30.

TEL AVIV 4:30, 7:30, 9:30

Alley: Last Tango in Paris; Bels Lissel: Pandango 11:15 p.m.; Bessal: Runaway Train 5, 7:15, 9:30; Chen 1: Pharis 5, 7:20, 9:45; Chen 2: Salvador 5, 7:20, 9:45; Chen 3: Spies Like Us 5, 7:20, 9:45; Chen 4: Journey of Nerby Gan 10:30, 1:30, 5, 7:25, 9:40; Chen 5: Schindler 10:30, 1:30, 5, 7:25, 9:45; Cinema One: Dreamscape; Cinema Two: The Holocaust Covenant; Delfon: Journey of the Nile 7:15, 9:30; Diamantoff: Kiss of the Soldierwoman 11, 1:30, 4:45, 7:20, 9:45; Diamantoff: 3 Hommes et un Couffin 11, 1:30, 4:45, 7:20, 9:45; Diamantoff: 3. Man 11, 2, 5:30, 9:30; Oran: Iron Eagle 7:40, 9:45; 6:30, 9:30, 12 midnight; Esther: Nations Lampoon's European Victorian 5, 7:30, 9:40; Gert: After Hours 5, 7:15, 9:30; Gordon: The Official Story 5-7:15, 9:30; Hedi: Youngblood; Levi: Creator 1:35, 5, 7:40, 9:50; Livit: Wildcats 1:40, 7:30, 9:45; Lipper: Hamehadash: 9½ Weeks 4:30, 7:15, 9:30; Mael: Iron Eagle 4:30, 7:15, 9:30; Mogra: End of Innocence; Oran: Creator; Pion: Pony Tycoon; The Life of Belsa 4, 12 noon, 4:30, 7:30; Peer: Tuff Turf 4:30, 7:30, 9:15; Shaleh: Out of Africa 5:45, 9:15; Shaleh: Agnes of God; Temuz: Madi 7:15, 9:30; Toleha: Nadia 6, 7:30, 9:40; Tel Aviv: P.O.W. 7:30, 9:45, 11:30; Tel Aviv: Art Museum: Shook 1 p.m., part 1, 6:30.

part 11; Zefron: Ruthless Romance 4, 5:45, 9:30; Ruth: Hamehadash: Exodus 6:30; Israel: Cinemasque: Katz and Maus 7; Idiot 8:15.

HAIFA 4:30, 7:15

Alley: 11:15; Bessal: The Protector; Bessal: The Protector; Bessal: P.O.W. The Escape; Chen: Iron Eagle; Keren Or: Hamehadash: When Father Was Away on Business 4, 6:30, 9; Oran: 9½ Weeks; Orin: Sweet Vacation 7, 9:15; Peer: European Vacation; Rosh: European Train 4, 6:45, 9; Shaleh: Kiss of the Soldierwoman 7, 9:15; New-Gert 1:30; Oran: Home on the Range 4:30; Centre Cultural France: (Le Cinemasque): Le Retour de Martin Guerre 9:40.

RAMAT GAN

Armon: Pharis 5, 7:15, 9:30 Lily: Target 7:15, 9:30; Omer: Journey of the Nile 5, 7:15, 9:30; Ramat Gert: In LA, 5, 7:15, 9:30; To Live and Die 7:15, 9:30; Rev-Gan 1: After Hours 5, 7:30, 9:40 Rev-Gan 2: When Father Was Away on Business 6, 8:50, 9:30 Rev-Gan 3: Gert 5, 7:30, 9:40; Rev-Gan 4: Sweet Dreams 7:20, 9:45

REHOVOT

David: When Father Was Away on Business 7:30; Mechal: Sky Pirates 7:30, 9:30; New Tiferet: Nadia 4:30, 7:30, 9:30; Daniel Hedi: Delta Force 7, 9:30.

SOLON

Migdal: Wildcats 7:15, 9:30; Seivoy: Out of Africa 6, 9; Armon: Hamehadash: Forbidden Relations 7:30, 9:30

NETANYA

Armon: 9½ Weeks 5, 7:15, 9:30

GIVATAYIM

Hedon: Out of Africa 6, 9

RAMAT HAHARON

Kochan: Clockwork Orange 9:30 p.m.; Delta Force 7

PETAH TIKVA

G.G. Mechal 1: Jewel of the Nile 5, 7:30, 9:30; G.G. Mechal 2: Target 5, 7:30, 9:30; G.G. Mechal 3: Out of Africa 6, 9

Studying history and making it

THERE AND THEN / Sraya Shapiro

ONE WILL be evoking the memory of Ben-Gurion very often this year, the 100th anniversary of his birth. The first of a series of official events was held recently at Tel Aviv University, under the joint auspices of the Israel Society of Military History and Ma'archoi, the publishing house of the Israel Defence Forces.

The academic question posed for discussion was how a civilian (Ben-Gurion) performed in directing the armed forces during the War of Independence. The idea of the organizers was undoubtedly that one might learn something for future guidance.

However, there is food for thought in what was said by Meir Amit, who was chief of intelligence before he left the IDF to become head of the Mossad, and who worked under B-G's tutelage for 10 years. Ben-Gurion was unique, Amit said. The fate of Israel would probably have taken a different course without Ben-Gurion. "It certainly is different without him," he ruefully remarked.

Ben-Gurion was foremost a man who tried to learn from history. His study of the past began long before he became prime minister. Nehemia Argov, his devoted aide, told me

how once, when B-G was sought urgently by key Mapai men for some all-important decision, he could not be found anywhere and then was discovered, studying history and making it hidden away with a volume on the wars of Alexander the Great. By studying the currents of history Ben-Gurion hoped to unearth the trends of the future.

Those were the years of self-instruction. One tried to learn from past examples, from observing the prosperous potentates of the present and from one's own experience, how to steer towards independence, how to forge the administrative and military utensils of statehood.

"A historian should not apply to the events of those days the criteria applicable today," warned Prof. Gaby Cohen, dean of the humanities faculty at TAU, referring specifically to the plethora of publications produced recently, mainly by energetic reporters of the post-Independence War generation.

THE WARFARE professionals were at first wary of Ben-Gurion's leadership. "What could one expect from a man whose military experience was that of a lance-corporal in the Jewish Legion of the British



Ben-Gurion at the Suez Canal in 1971, with three generals, Ariel Sharon (left), Dan Laner (centre) and Haim Bar-Lev. (David Rubinger)

army in World War I?" said Amir, explaining their attitude. However, Ben-Gurion proved very understanding. He read a lot and he never stopped asking questions. The initiative for action, however, always came from the military establishment. But the military sought the civilian's authorization before acting, said Amir.

Ben-Gurion's concept of security was all-embracing. Not only weapons and trained men. Pioneering *elan*, youth movements, even concerts — though he was caught napping on one rare occasion, when he attended for reasons of state, a

performance by the Israel Philharmonic.

His choice of men was uncritical, according to Amir. He often trusted the wrong men. He did deeply resent any untruth in reporting. "The state would be in deep trouble if its servants fail to report honestly to their superiors," Ben-Gurion warned.

He had a deep respect for professionals. Officers trained in the British army, as well as regular soldiers with combat experience in other armies, were favoured by him, to the sorrow of those who learned about the reality of war in the Hagana, fighting Arab encroachments. And

he had a genuine fear of the regular forces of the Great Powers — the IDF was geared to fight the Arabs, not the British, or the Russians. Thus, he hastily ordered the evacuation of Sinai in 1956 when a fake report announced that the Russians were sending troops to the area. "No serious intelligence study was ever made about the possibility of such a move," Dr. Netanel Lorch (the first military historian of the IDF) said indignantly.

IT WAS a standard postulate of Ben-Gurion's geopolitical outlook that Israel must have one great power at least morally on its side. Five years before the Second World War, Ben-Gurion was telling anybody who was ready to listen that in the inevitable world conflagration, the Jews of Palestine must have an ally among the Big Five — and that there was no choice other than the British, in spite of their anti-Zionist stance in those days. So "in the Sinai campaign, Israel played second fiddle to the British and the French. In the Lebanon War, the United States was sympathetic, to a point, to Israel's aim to fight terrorism," the Minister of Defence Yitzhak Rabin, noted.

But when the state was in its formative years, the government tried to keep an even keel between the superpowers, a course which was much praised by Hebrew University professor Nissan Oren. "I could not understand why Ben-Gurion abused Mapam, though the cream of the country's youth was supporting it," he said. Had he read history more closely, Prof. Oren would have understood that it was Mapam, in the pre-de-Stalinization era, which was hindering closer relations with the only superpower capable of giving Israel a hand.

Growing fraternity

By PHILIP GILLON / Jerusalem Post Reporter

THE HEBREW Order of David (HOD) has consecrated its second Israeli lodge, City of David, in Jerusalem, at a festive banquet at Moshav Neveh Ilan. The president of the new lodge, Bro. Richard Berkowitz, was ceremonially installed at the banquet. A large group of South Africans, including former grand president Bro. Benny Asch, came to Israel specially for the occasion.

The titles of "Bro." short for "Brother" and "Wor. Bro." Worthy Brother, indicate the aims of the movement, which can be summed up as brotherhood and fraternity, and the application of the injunction, "Love thy neighbour as thyself."

The Order was established in South Africa 80 years ago by Bro. Joseph Distiller as a branch of the British Order of Druids, an organization founded in England in 1896. In the early days, the HOD functioned in South Africa as a friendly society, giving interest-free loans to brothers, most of whom were new immigrants to South Africa, battling to eke out a living in a country which had been ravaged by the Boer War.

The need for this kind of activity has fallen away, and now there is a strong emphasis on social activities and raising funds for charities and worthy causes. The first lodge set up in Israel, Lodge Moledet in Ra'anana, provided the means to enable Beit Halochem, the wounded soldiers' rehabilitation centre, to build

a heated swimming-pool. They also helped the Soldiers' Welfare Committee establish a rest home in Eilat.

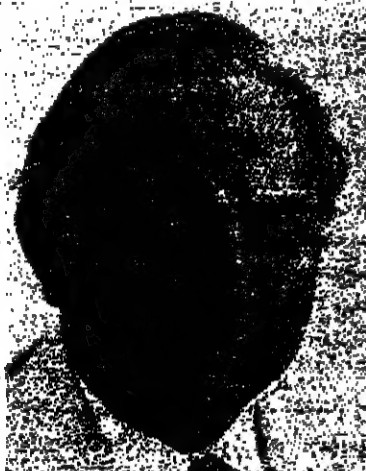
The HOD spread throughout the South African Jewish community. Far from being a secret society, as such orders sometimes are, it even has a vigorous public relations department. The idea of branching out and developing lodges in Israel arose in response to a demand from former South African members who settled in Ra'anana.

Wor. Bro. Judge Asher Felix Laudau, who at the recent consecration was elected along with Rabbi Moses C. Weiler, as trustee, explained why he thinks there is a need for the Order to spread in Israel.

"Immigrants come here determined to be more Israeli than the Israelis, but they need some support from the culture of the countries they left behind them, to help them to adjust to a strange new environment, and often they need material help as well. So we started to help South African immigrants, in cooperation with the South African Zionist Federation, and we are still doing so."

"Now we hope to develop lodges with an Israeli character, which will attract other Israelis, apart from the South African settlers. After all, the original HOD was an offshoot of what was essentially a British Order. It developed a South African character. We hope to do the same type of thing in Israel."

Record Number of Participants from Abroad at Hebrew University Board of Governors Meeting



Harvey M. Krueger, Chairman of the Board of Governors

The 48th annual meeting of the Hebrew University of Jerusalem's International Board of Governors, which opens in Jerusalem today, has drawn an all-time record attendance from abroad of 220 participants from 14 countries.

Usual attendance from abroad at regular annual gatherings of the Board in Jerusalem is about 150.

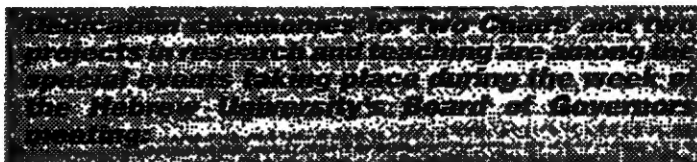
The University's leadership expressed satisfaction at the high attendance, at a time when travel and tourism to Israel and Europe from America have been hit by a sharp drop and many cancellations. The Chairman of the Board of Governors, Mr. Harvey M. Krueger of New York, said that the Board members have demonstrated their loyalty to the University and to Israel outstandingly, by coming in larger-than-ever numbers.

The Board of Governors, of which half the membership is from abroad and half from Israel, as stipulated in the University's constitution, starts its work today with meetings of the committees for finance, building and development, student affairs, research and development, and academic affairs. The formal opening session in the Wise Auditorium on the University's Givat Ram campus this evening will include a keynote lecture on the stabilization of the Israeli economy, by Prof. Michael Bruno, newly appointed Governor of the Bank of Israel. Plenary sessions will be held on each of the coming three mornings on Mount Scopus. Concurrently with the Board meetings, guests and observers will participate in a programme of tours of historical and modern Jerusalem.

The Board members will also visit the University's Faculty of Agriculture on its Rehovot campus, attend the dedication and inauguration of a number of new projects on the Mount Scopus, Givat Ram and Rehovot campuses, and attend their choice of five concurrent workshops for a first-hand look at the University's research and other activities.

Capping the week's events will be the annual Convocation in the Mount Scopus open-air theatre, where doctoral degrees will be awarded to the University's graduates, honorary degrees will be awarded to Dr. Isaac Becker (Mexico), Edward Bronfman (Canada), Ludwig Jesselson (U.S.), Prof. P.G. de Gennes (France), Camilo Jose Cela (Spain), Prof. James S. Coleman (U.S.), the late Michael Kennedy Leigh (U.K.), Mendel Kaplan (South Africa) and Prof. Lloyd S. Shapley (U.S.), the Samuel Rothberg Prize for Jewish Education to Prof. Nehama Leibowitz (Israel), and the Katzir, Berger and Bronfman Prizes to outstanding students.

The festive closing event, organized by the Jerusalem Chapter of the Israeli Friends of the University, will take place Thursday evening.



Prof. William Haber

The William Haber Chair in Economics

The William Haber Chair in Economics in the Faculty of Social Sciences will be dedicated at the Belgium House Faculty Club on the Givat Ram campus this afternoon. It has been established by friends and admirers of Prof. Haber, former dean of the College of Literature, Science and the Arts at the University of Michigan, long-time leader of the World ORT Federation and a member of the Board of Governors of the Hebrew University. The first incumbent of the chair, Prof. Yoram Ben-Porath, will deliver the inaugural lecture. Prof. and Mrs. Haber, of Ann Arbor, Mich., and their son, Alan, will participate in the dedication ceremony.

Andrew and Pearl Rosenfeld Research Project in the History of the Jews of Hungary and Austro-Hungary

The Andrew and Pearl Rosenfeld Research Project in the History of the Jews of Hungary and Austro-Hungary in the Institute of Jewish Studies will be dedicated tomorrow afternoon at the Meiersdorf Faculty Club on the Mount Scopus campus. The project will provide grants for study and research in all aspects of the history of the Jews of Hungary and Austro-Hungary, for the publication of materials pertaining to that history, and for international conferences and symposia on the topic. Dr. Michael Silber of the Department of the History of the Jewish People is in charge of the project. Mr. and Mrs. Andrew Rosenfeld, of Cleveland, Ohio, will attend the dedication, as will a number of leaders of Hungarian Jewry from Israel and the U.S., including Dr. Moshe Camilly-Weinberger, acting president of the World Federation of Hungarian Jews in the U.S. and Canada, and a delegation of Jewish community leaders from Cleveland.



A research team in veterinary medicine

The Samuel Warshauer Memorial Programme in Jewish-Arab Relations

The Samuel Warshauer Memorial Programme in Jewish-Arab Relations will be dedicated on Wednesday at the Meiersdorf Faculty Club, on the Mount Scopus campus. The late Mr. Sam Warshauer, of New Jersey, who was connected with the Zionist movement from his youth and active on behalf of the Hebrew University, envisioned Israel as a place where Judaism's tradition of justice and moral principles would be realized in a modern democratic context. Since such moral attitudes depend upon education, the Warshauer family has established this memorial programme for the furtherance of Jewish-Arab relations, which will initially focus on high school pupils, in the U.S. National Council of Jewish Women's Research Institute for Innovation in Education at the Hebrew University's School of Education. Mrs. Ruth Warshauer of New Jersey, wife of the late Mr. Sam Warshauer, and members of her family will attend the dedication ceremony.



The late Samuel Warshauer



The Rosenfeld project will support historical research

The Rybak-Pearson Chair in Veterinary Medicine

The Rybak-Pearson Chair in Veterinary Medicine at the Koret School of Veterinary Medicine will be dedicated at the Hebrew University's Faculty of Agriculture in Rehovot tomorrow evening. It has been established in the names of Mrs. Shelly R. Pearson of Venezuela and the United States, her husband John S. Pearson and her parents Morris and Lubal Lepar Rybak. The first incumbent of the Rybak-Pearson Chair, Prof. Kalman Perk, Professor of Animal Anatomy and Physiology and head of the Koret School of Veterinary Medicine, will give the inaugural lecture. Mr. and Mrs. Pearson will participate in the dedication ceremony.

Harari Family Unveils Memorial Plaque

Mr. and Mrs. Manuel Harari were joined by their many Israeli family members yesterday for a ceremony on the Mount Scopus campus where they unveiled a plaque in memory of Manuel Harari's parents and brother. The Rafael, Esther and Emilio Harari memorial plaque is located in the Building for Oriental Studies in the Faculty of Humanities complex, on the main entrance level.

WORKSHOPS: Into the Labs and Classrooms

A day of workshops — face-to-face on-site visits of the Governors to the University's scientists, scholars and students, when specific areas of research and other activities are presented — have been a part of the Board of Governors Meetings in Jerusalem for the past several years. This year's selection:

MEDICAL ETHICS

The artificial prolonging of life for the terminally ill versus "the right to die" — public disclosure or secrecy about such illnesses as epilepsy and AIDS... the moral issues in organ transplantation... the human dilemmas of genetic engineering... these and other ethical problems engendered by recent dramatic advances in clinical and biomedical research are being grappled with at the Hebrew University-Hadassah Medical School in a broad programme of formal teaching, bedside instruction and special seminars. Governors at this workshop will hear about the programme.

MEMORY AND LEARNING: A NEW APPROACH VIA PHYSICS

The functions of memory and learning in biological organisms are apparently implemented in the nervous system. In spite of extensive research on biological memory, many central questions concerning its functional and organizational principles have remained unanswered. Recently, a new approach, based on concepts borrowed from the physics of random magnetic systems, has attracted the interest of physicists, biologists, mathematicians and computer scientists. A group of scientists at the University's Racah Institute of Physics will explain it.

ETHIOPIAN JEWS IN ISRAEL: THEIR SOCIAL, EDUCATIONAL AND HEALTH INTEGRATION

The Ethiopian Jews' wider conception of the family, their concept of group loyalty and self-respect, and the differences

between Ethiopia and Israel in educational approaches, levels and requirements have presented these immigrants with special problems. The workshop will touch on these problems: The anthropological point of view, the psychological point of view, the enrichment programme for Ethiopians at the University, personal remarks from two Ethiopian students, and the influx of tropical diseases into Israel — a crisis resolved.

A NEW LOOK AT SOURCES OF JEWISH HISTORY

The directors of the Jewish Film Archives will present the Archives' activities: locating, collecting and preserving films dealing with Jewish subjects from throughout the world; the use of these films for education, research, information and publicity, and their utilization by film producers from all over the world in making new films on Jewish and Israeli topics. The Jerusalem Index of Jewish Art, the main research tool of the Hebrew University's Centre for Jewish Art, was created in order to

deepen and spread the knowledge of Jewish expression in the visual arts. The Index is now fully computerized. When completed, it will encompass all manifestations of Jewish artistic expression, from the early days of Jewish material culture to the present. A slide-illustrated presentation will be given at the workshop.

STUDENTS AND SOCIETY

Hebrew University students participate in a variety of social and community oriented programmes, which are coordinated by the Unit for Social Involvement in the Dean of Students Office. Participants in the workshop will visit the Beit Pomerantz Community Centre in the Shmuel Hanavi neighbourhood, the Ir Ganim Community Centre, where students operate a study centre for primary and secondary school pupils, clubs for women and for elderly citizens, etc., and the Katamon Tel area, meeting with law students engaged in legal aid and in consumer-issues counselling.

5.8 per cent C-o-L allowance in July May Consumer Price Index up 1.6%

By AVI TEMKIN
Wage earners will receive a 5.8 cost-of-living allowance next month. The C-o-L increment figure was determined yesterday after the Central Bureau of Statistics announced that the Consumer Price Index rose by 1.6 per cent in May.

The rise in prices last month brought the index to 145.8 points on a 1985=100 baseline. In the last 12 months the index rose by 78.6 per cent. Since the beginning of the year the index is up by 6.9 per cent.

The Treasury has already indicated that it will not adjust tax brackets this month, since this is necessary only next month in accordance with the law. Therefore the increment to net wages will be only of 4.2 per cent in next month's salaries.

Finance Minister Moshe Nissim said yesterday that the size of the inflation figure was expected. Nevertheless, he said, the government should consider measures allowing it to further reduce the rate

of inflation from its current monthly level of 1.5 to 2 per cent to what he called "European" rates of inflation.

Nissim said that this makes it necessary to maintain a restrictive budget and wage policy. He said that the payment of the C-o-L allowance could put pressure on manufacturers' costs. To avoid such a development, the cabinet yesterday approved a reduction of 5 per cent in the employers' contributions to National Insurance Institute payments on behalf of their workers.

This step is expected to offset about 4 per cent of the rise in labour costs stemming from the payment of the cost-of-living allowance. Nissim told reporters that manufacturers would have to absorb the remaining 1.8 per cent without raising prices.

The CBS figures published yesterday showed that about half of the increase in the CPI last month stemmed from increases in food prices, which rose by 4.7 per cent. This reflected mainly the hikes in the

prices of subsidized foodstuffs implemented by the government in mid-May. Other items contributing to the increase in the index were health services, which rose by 2.2 per cent, and housing prices, which rose by 1.8 per cent.

Reacting to the inflation figures, Arnon Tiberg, the general manager of the Manufacturers Association, criticized the government for the increase in subsidized prices last month. He said that these increases caused the cumulative inflation rate to cross the minimum figure for the payment of the C-o-L increment two months ahead of what was originally planned.

Bureau officials said yesterday that the full statistical influence of the hike in subsidized prices will be registered this month. They said the hike will contribute 0.25 per cent to the increase of June's CPI. Another 0.75 per cent will be contributed by the housing prices, reflecting the payment of C-o-L allowances.



Geiger counters sold like hot cakes as nuclear fallout affected the air and soil in the Federal Republic of Germany after the Soviet reactor disaster in Chernobyl. Fresh vegetables in particular had to be destroyed in bulk. (Photo DaDipa)

U.S. per capita income world's 4th highest with \$15,490

WASHINGTON (AP). — The United Arab Emirates, Qatar and Switzerland led the nations of the world in average per capita income in 1984, according to preliminary figures made public by the World Bank recently.

The 1,277,000 people of the oil-rich U.A.E. earned an average of \$22,300 a year, the figures in the 1986 World Bank atlas showed, although they did not take into

account the recent sharp drop in oil prices.

Qatar, with 290,000 people, had an average per capita income of \$20,600 in 1984.

Switzerland was third, with average earnings of \$15,990 for its 6,570,000 citizens and the U.S. fourth with \$15,490.

The bank did not estimate the average income of 275 million citizens in the Soviet Union. China

with an estimated population of 1.03 billion, was among the poorest countries with average per capita income of \$310 a year.

An estimated 317 million people live in countries — mostly African where the average income has declined over the past 10 years.

The poorest country listed was the Central African Republic, where the 2.5 million people earned an average of \$270 in 1984.

Hapoalim now handles bill payment free of charge

By PINHAS LANDAU
Bank Hapoalim yesterday introduced a new system whereby customers can pay bills for utilities, municipal rates (armon), insurance and other regular payments, free of charge.

Hitherto, Hapoalim had waived the service charge for these transactions if they were carried out through self-service boxes in branches or ATM units outside many branches. For clients choosing to pay their bills in the bank through the teller, the bank had charged NIS 0.71 — one of the highest of its charges.

This had been designed to encourage use of the self-service and auto-

matic facilities, and thereby lessen the workload on tellers. Although it had succeeded in this, it had also driven many customers to doing business through the post office and its bank, where no charge is made.

The new Hapoalim move, however, was only made after careful planning. As such, it represents a further step in the emerging trend in Israeli banking toward proper costing of services.

If Hapoalim offers bill-paying and other services free of charge, it is only because it thinks it is worthwhile in terms of the overall customer relationship. There are no more free lunches available in the system.

Dollar lost in quiet trading

TEL AVIV. — The dollar closed barely changed in thin trading on Friday. For the week it lost 0.9% against the DM, 0.5% against the Swiss franc, 1.3% against sterling and 1.2% against the Japanese yen.

Trading was relatively quiet and it seems that many market operators are waiting for a clear trend before committing themselves.

U.S. economic data for May showed a surprisingly weak economy. Industrial production fell 0.6% and retail sales fell 1%. This weakness renewed hopes that the Federal Reserve would ease monetary policy in order to revive the slackening economy.

These hopes have already fuelled a rally in the U.S. bond market and the resulting lower interest rate continues to pressure the dollar.

However, dealers hesitated to push the dollar still lower, fearing central bank intervention. The Bank of Japan repeatedly bought small amounts of dollars throughout the week, supporting the 165 yen level.

The Mexican debt problem ceased

to draw market attention as it became clear that an agreement between all concerned parties is under way.

The South African rand fell sharply and traded as low as 35.75 U.S. cents. It managed to close just above 37 on Friday, after the South African central bank intervened to support it.

FORECAST OF MOVES. — The dollar is still moving in wide trading ranges against the major currencies. Although fundamental reasons — the recent economic data, expectations for lower international rates and the state of Mexico's debts suggest a weaker dollar — the short-term picture indicates stabilization of exchange rates.

Currently the dollar is oversold and has reached previous resistance levels at which it may encounter buying in order to realize profits. At this point no view about the dollar's direction can be formed until it reaches new lows or new highs compared to the levels of the last 4 months. (Dr. Boaz Barak Service).

M. Friedman: 'Oil will fall below \$9'

SAN FRANCISCO (Reuters). — Economist Milton Friedman predicted that oil prices will eventually drop to \$8 or \$9 a barrel and remain there for some time.

Friedman, noting that he had predicted a collapse of the Organization of Petroleum Exporting Countries (Opec) in 1974, said the cartel was finished as a threat to the world market.

"I believe that Opec has no future," he said, replying to questions after a speech to the Commonwealth Club of California.

"You have had cases in history of successful cartels, but I don't know of any cases of successful

cartels that after they collapsed have been able to reform," he added.

Friedman, a Nobel Prize winner in economics, said he foresees further declines in oil prices.

"I believe the long-term equilibrium price of oil — the price we will tend to approximate over a long period — is something like \$8 or \$9 in current prices," he said. He predicted that prices are likely to drop even lower than that in the short term.

Oil is now selling for around \$14 after dropping from its \$30 level in November. It has rebounded after falling briefly below \$10 earlier this year.

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EXPORT BRIEFS

JEWELRY. — Exports of Israeli jewelry should reach \$190 million during the current year, up from \$162m. in 1985, according to the Export Institute, which has mounted a promotion drive abroad, especially in the U.S.

FACTORY. — Kibbutz Gazit plans to invest \$3 million during the current year to build a factory for the production of transparent plastic sheets and panels.

KIBBUTZ EXPORTS. — Industrial exports of the Kibbutz Industries Association rose by 19 per cent in the first quarter of 1986 from a year earlier to \$96.5 million.

KOOR EXPORTS. — Exports of Koor Industries Koortrade unit rose by 10 per cent in the first quarter from the same time last year to \$92.5 million.

EXPORTS. — Tadiran aims to export to the U.S. \$160 million in products and services this year. In 1985, exports to the U.S. were \$110m., up from \$60m. in 1984 and \$30m. in 1983.

The Jewish Agency
Israel Education Fund of the United Appeal
TENDER No. 81/599/86

1 The Jewish Agency (hereinafter the Agency) invites tenders from building contractors for the construction of THE KAHANOFF CENTER FOR THE BLIND IN SAFAAD

2 The projected construction is approximately 800 sq.m.

3 Conditions of the tender, as well as all other pertinent information, can be obtained from Wednesday, June 18, 1986 from the Agency, 17 Kapita Street, Tel Aviv, room 717 between 9:00 a.m. to 12:00 p.m., against a non-refundable deposit of NIS 250.

4 A special tour of the construction site for contractors will be held on Monday, June 30, 1986 departing at 11 a.m. from the entrance to the Safad Municipality.

5 Bids should be submitted not later than 1:00 p.m. on Wednesday, July 16, 1986 at the address mentioned in paragraph 3 above.

6 This tender is open only to contractors registered in accordance with the Act regarding Registration of Contractors for the execution of Engineering and Construction Works 1969, each contractor to abide by requirements of the Act and to be eligible to carry out the works as specified.

7 The Agency does not undertake to accept the lowest, or any other bid.

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ACROSS

- Do without does? (4-5)
- Outlook splendid, yet tense (6-7)
- Nobleman a year advanced (5)
- County generator takes in hospital (5)
- What is a spring holiday without the English daisy? (5)
- Neighbourly get-together (6)
- Declare at cricket-match (6)
- E.g., Victoria, British? Precisely! (5)
- Disappear right out of Japan, say (6)
- Part of foot-regiment pleasing drill-sergeant so? (6)
- Played and perhaps took lead (5)
- Remnant of high-priest in church (5)
- French priest, given a day, was healed (5)
- Such discomfiture when barman's master is drunk (13)
- Deftness of classic right-hander taking a single extremely tenaciously (9)

DOWN

- Genuinely following yours in correspondence (5)
- Vegetables well prepared on certain courses (6)
- Park in New York, perhaps—a meeting place (6)
- Fellow involved in making fist in petty quarrels (5)
- Night-light very difficult to blow out? (9-4)
- Fluke lying face down is liable to get caught (8-5)
- Keep going by means of stern support (9)
- Decent pie cooked for a nyriapod (9)
- First Greek character in Athens? (5)
- Sneer at Somerset market town without a cricket side (5)
- Zealous enough to make offer to artist (5)
- Vegetarian's incentive? (6)
- Rubber taken from teacher as errors appear (6)
- Case made by lightweight boxer? (5)
- Space-traveller has arrived on time! (5)

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MARKET PLACE

PINHAS LANDAU

Of cats and cream

The announcement on Thursday that Michael Arnon, currently deputy chairman of the Bank Hapoalim subsidiary, Bank Comptel, is to be appointed head of Hapoalim's U.S. investment finance arm, Ampal, is only the latest of a series of post-Bejski appointments that have one thing in common. The successors of the persons who are resigning in the wake of the report, are by and large the people who were themselves directly or indirectly implicated by the commission for their participation in the "regulation."

Arnon, for instance, is well-known for the Ampal appointment, insofar as he was cabinet secretary, president of Israel Bonds, and held other diplomatic posts in his career.

But he was also the chairman of the Securities Authority in the crucial period of 1980-1983, and his record of activity during that time was modest in the extreme, in everything pertaining to the "regulation."

The appointment to a senior job in the Hapoalim empire has been seen by many as the direct outcome of that passivity.

But Arnon is not alone. The men who replaced Ernest Japhet, Giora Gazit and Aharon Meir were all implicated in the scandal, in one form or another.

Eli Hurvitz was on the Bank Leumi board throughout the "regulation" period, as was, for that matter, Professor Eitan Berglas, who became chairman of Bank Hapoalim late last year (before the report was published).

Mordechai Einhorn was a senior Leumi executive in those years — and so was his arch-rival, Israel Rauch, who is slated out for his determined resistance to changes that might have stopped the bank's regulation activity.

ties, and who resigned from Leumi when Einhorn was appointed a senior executive.

After a few years in the relative wilderness of the Industrial Development Bank, Rauch has re-emerged on center stage as Aharon Meir's replacement as general manager of Bank Mizrahi.

It is hardly necessary to point out, although a reminder can do no harm, that the Bejski report deliberately limited its recommendations to the most senior executives in each bank, because of the need to save time and not extend its work ad infinitum — not because everyone else was clean.

The report expected — naively, as it turned out — that the process would gradually be extended to encompass other key figures in the "regulation." In fact, the opposite is taking place.

And not only in the banking sector. The government and the civil service offer even more extreme instances of cats being set to guard the cream.

The most glaring example — positively mind-boggling, in fact — is the inclusion of ex-finance minister Yoram Aridor on the sub-committee charged with overseeing the follow-up to the report. This is an extreme version of having Abraham Shapira as chairman of the Knesset Finance Committee itself.

The Treasury stalwarts, capital Market Commissioner Yehuda Drori and legal adviser Arye Minkevitch, who were closely involved in the latter stages of the regulation, and the "arrangement" and all that came with it, are the people designated to prepare opinion papers on how the Bejski report is to be implemented in practice.

Similarly, at the Bank of Israel Examiner of Banks Gaila Maor, who escaped by the skin of her teeth and whose committee on what to do with the "arrangement" mess was criticized by Bejski, continues to oversee the banking system, until now without a governor to take ultimate responsibility.

Of course, one thing must be said for all these persons and institutions. They are all working in a post-Bejski reality and that makes at least a psychological difference. If not a material one, at Bank Discount. There is not yet even the willingness to admit that things have changed and will never be the same again.

Too bad for them, because the longer they have their heads in the sand, the further the world will pass them by and the more they will have to catch up when they emerge from their self-imposed seclusion.

Michael Bruno has long record as gov't adviser

By AVI TEMKIN
Post Economic Reporter

Even when he held no official position, Prof. Michael Bruno was active in the drafting of economic policy. His record is one of long-standing interaction with policy-makers and he has put his internationally renowned expertise in the theory of economic growth and inflation at the disposal of prime ministers and finance ministers.

Bruno was born in Germany in 1932 and was brought to this country the following year. He studied mathematics and economics and got his Ph.D. degree from Stanford University. From 1957 he was a senior economist at the central bank until the mid-sixties, when he became a lecturer at the Hebrew University and later a professor of economics. He has been a visiting professor at the Massachusetts Institute of Technology, Harvard University and the London School of Economics. Last year he was elected president of the International Econometric Society.

In the mid-seventies, Bruno played a prominent role in the drafting of economic policy. He was head of a team appointed by the late Pinhas Sapir, then finance minister, to draft economic policy after the Yom Kippur War. In 1975 he was appointed

by the late Yehoshua Rabinowitz to be his second economic adviser, a post from which he resigned a few months later. That year he also served as a member of the team, headed by Prof. Haim Ben Shahrar, which drafted the income tax reform plan implemented that year.

In 1985 he was one of the major figures in the drafting of the economic stabilization plan which was launched last July. Since then he has published several papers on the stabilization plan, which has been identified with his name.

In a paper delivered yesterday at a conference on "Economic Issues and Policies in Israel," organized by the Falk Institute, Bruno stated that the stability of the low monthly inflation rate of 1.5 to 2 per cent, and a possible reduction of that rate, depended on the government's ability to prevent further wage increases and the resulting devaluation of the shekel.

Bruno added that a sharp reduction of the budget deficit would pave the way for a gradual relaxation of the capital market and for direct private financing of investment. He said that only a substantial reduction in the amount of public expenditure would allow an alleviation of the tax burden.



Michael Bruno. (Rahamin Israeli)

In the last weeks Bruno has been among those who argued against granting exporters to the dollar area special compensation and against shekel devaluation. He has stated that in 1986 no special balance of payments problems are expected, and therefore the consolidation of stability should be given full priority.

Bruno is expected to pressure the government for a further reduction in the size of the public sector. In the past he has declared that the economic stabilization plan, while lowering the rate of inflation, did not solve the set of structural economic problems that the crises of the seventies left behind, such as the low productivity and slow growth of the business sector.

BRUNO

(Continued from Page One)

tions of the Bejski Commission. Although Mandelbaum had initially delayed leaving office until a successor was named, Prime Minister Peres accepted his letter of resignation last week.

The Alignment has been supporting Deputy Finance Minister Adi Amoral, a Labour Party member, for the post. But the Likud strongly opposed him on the grounds that a party figure could not be appointed as central bank governor.

The Likud's opposition to Amoral paved the way for Bruno's nomination.

With Bruno's nomination approved by the cabinet, Amoral hinted that he might consider leaving his post as deputy finance minister. Yesterday he refused to answer questions about this issue, except to say that he would respond some time in the future.

Nissim described Bruno as a top-rank economist and an outstanding personality in his field. He added that Bruno had been a full participant in the formulation of economic policy and stressed the fact that

PERES

(Continued from Page One)

the status quo.

Taking a swipe at his partners in the unity government, Peres said that the problem was not "the religious parties, but the amount of support given them by the Likud."

Labour Secretary-General Uzi Baran was more outspoken, describing the tension as the result of a "struggle among the ultra-Orthodox for control of the religious street." He called on the national religious community to stand up to the "ultra-Orthodox danger."

The secretariat of the United Kibbutz Movement yesterday issued a strong statement condemning the "barbaric acts against Jewish religious establishments and the desecration of prayer books."

The youth divisions of Mapam and the National Religious Party issued their first ever joint statement yesterday, in which they denounced the "hooliganism" in both the religious and secular camps. The statement called on moderates on both sides to put an end to violence by extremists.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:

General Share Index	118.70	-0.46%
Non-Bank Index	138.70	-1.05%
Arrangement	108.80	-0.09%
Insurance	154.90	-0.58%
Commerce, Services	161.04	-1.69%
Real Estate	167.40	-0.35%
Industrials	127.46	-1.10%
Textiles	150.33	-1.78%
Metals	120.38	-0.77%
Electronics	104.45	-1.11%
Chemicals	129.85	-0.80%
Industrial Invest.	120.86	-0.80%
Investment Cos.	142.14	-1.80%
General Bond Index	110.08	+0.24%
Index-linked Bonds	110.76	+0.23%
Fully-linked	112.84	+0.24%
Partially-linked	109.48	+0.23%
Dollar-linked Bonds	101.38	+0.31%
Short-term 0-2 yrs	106.33	+0.21%
Medium-term 2-5 yrs	106.29	+0.27%
Long-term 5+ yrs	108.44	+0.21%

Turnovers:

Shares - total	NIS 7,492,700
Arrangement	NIS 2,703,300
Non-bank	NIS 4,789,400
Bonds - total	NIS 9,453,700
Index-linked	NIS 8,225,500
Dollar-linked	NIS 3,218,200
Treasury Bills	NIS 18,950,300

Share Movements:

Advances	104 (133)
Declines	15 (26)
of which 5% +	1 (2)
"buyers only"	178 (133)
of which 5% +	30 (22)
"sellers only"	3 (11)
Unchanged	40 (108)
Trading Halt	48 (46)

Bond Market Trends:

Index-linked	Rises to 0.5%
3% fully-linked	Rises to 0.5%

4.25% fully-linked

80% linked	Rises to 0.5%
Slight rises	
Double-linked	Rises to 0.5%
Dollar-linked:	
Admon	Rises to 0.5%
Rimon	Rises to 0.5%
Gilboa	Rises to 0.5%
For Curr.	Mixed to 1%
denominated	
Treasury Bills	1.40-1.55%
(monthly yield)	

Arrangement yields:

US 8 and	11.80%
Cal Electrics	11.44%
Spectronix 1	11.44%
Discount	11.44%
Mizrahi r.	11.44%
Hapoalim r.	11.44%
General A	11.44%
Leumi stock	11.44%
Fin. Trade 1	10.85%

SELECTED PRICE QUOTATIONS

Commercial Banks

(not part of "arrangement")

Maritime 1	1081	1027	-0.8
General non-arr.	28900	10	+0.1
First Int'l	3648	395	-1.5
FBI	4015	4110	-4.3

Commercial Banks

(part of "arrangement")

IDB	93850	344	-0.4
Union 0.1	62450	80	+0.7
Discount	107100	253	-0.4
Mizrahi	34820	776	-0.4
Hapoalim r.	36830	1233	-0.1
General A	145750	38	-0.1
Leumi 0.1	48850	No trading	
Fin. Trade	48850	2	+1.2

Mortgage Banks

Leumi mort. r.	4910	40	+1.0
Dev. Mort.	1420	2145	-4.7
Mishkan r.	2350	104	-2.9
Tefahot r.	13160	28	-1.1
Mercer r.	5120	287	-

Financial Institutions

Agric. C	no trading		
Int. Dev. DD	no trading		
Clal Leasing 0.1	9900	144	-3.9

Insurance

Ararat 0.1 r.	945	131	-1.5
Heesah r.	480	18352	-
Phoenix 0.1	751	322	-
Harnishmar	6450	50	-2.3
Menorah 1	7600	20	-
Sahar r.	4250	163	-4.5
Zion Hold. 1.	18900	3	+3.0

Trade & Services

Mel Ezra	4400	19	-0.2
Supersol 2	5120	510	-1.2
Delek r.	2965	2962	-3.3
Lighterage	15000	15	-3.3
Cold Storage	2559	333	-0.2
Dan Hotels	3750	111	-2.8
Yarden Hotel	3268	207	-5.0
Hilon 1	12985	18	+1.0
Team 1	1870	246	+1.1

Real Estate, Building and Agriculture

Azorim	819	3947	-4
Elion	344	4388	-4
Africa Int. 0.1	33850	84	-0.6
Dartner	4150	90	+0.2
Prop. & Bldg.	2755	1582	-
Bayaside 0.1	4080	100	-3.8
ILDC r.	48800	74	-1.0
Rasat r.	7100	421	+5.2
Mehadrin	7120	700	-
Hadarim	1145	3081	-

Industrials

Dubak b	No trading		
Pri-Ze 1	2437	823	+0.3
Sunfrost	7950	231	-2.8
Elite	13000	241	-8.5
Adgar	No trading		
Argaman r.	11700	117	-10.0
Delta G 1	4540	141	-0.7
Maquette 1	24700	15	-9.9
Eagle	12549	69	-
Polgat 0.4	8800	194	-
Schoellerna	13271	s.o.1	-5.0
Regoon	3960	748	-2.0
Ordon 0.1 r.	10300	71	-
Is. Can Co. 1	1150	1855	-
Zion Canals	2151	186	-4.4
Packer Steel	6800	54	-2.2
Elbit 3 r.	451000	23	-

Elron

Art	357000	7	-1.9
Cal Electronics	29550	152	-
Spectronix 1	2250	927	-2.2
T.A.T. 1	2278	1528	-3.0
Akerstein 1	4000	132	-8.4
Agan 5	1539	460	-5.0
Alliance	19000	376	+5.7
Dexter	3730	200	+3.3
Fertilizers	6600	50	+10.0
Haifa Chem.	848	2925	+0.7
Teva r.	55500	112	-
Dead Sea r.	15370	540	-0.7
Petrochem.	582	10752	-
Neca Chem.	3328	235	-5.4
Frutaron	9600	89	-7.7
Hadera Paper	20000	142	-3.4
Central Trade	6600	300	-1.7
Koor p	5050000	0	-
Clal Inds.	1384	2434	-0.3

Investment Companies

IDB Dev. r.	3970	1655	-
Elion	2920	1559	-
Artik 1	No trading		
Gahelot	1380	53	+0.4
Israel Corp. 1	8069	760	-5.1
Wolfson 1 r	107000	0	-0.9
Hapoalim Inv.	5000	758	-
Leumi Invest.	4311	230	-
Discount Invest.	2435	2525	-1.6
Mizrahi Invest.	17000	41	+6.3
Clal 10	795	2489	-0.0
Landeco 0.1	8308	72	-9.7
Pama 0.1	8900	70	-1.1

Oil Exploration

Paz Oil Expl.	13700	126	-3.0
J.O.E.L.	1590	1452	-0.1

Abbreviations:

s.a. sellers only	b buyers
b.o. buyers only	r registered

FINANCIAL DATA - ISRAEL - EUROPE - U.S.

ISRAEL MONEY MARKETS June 11, 1986

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.25% per month
Unlinked Deposit (Annual Rates)

	Last Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	11.6	7-12.75%	8-14.25%	8-13.5%
HAPAOALIM	20.5	8-14.5%	8-15%	8-15%
DISCOUNT	9.4	7-13%	8-14%	8-14%
MIZRAHI	8.5	8-16%	8-16%	8-17%
FIRST INT'L	12.3	6-13%	7-13%	6-13%

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit payable from 7 to 59 days.)

PATAH - FOREIGN CURRENCY DEPOSIT RATES (as of June 11)

	3-MONTHS	6-MONTHS	12-MONTHS
USD	6.375	6.375	6.625
STG	8.525	8.375	8.375
DMK	4.000	4.000	4.000
SFR	4.250	4.125	4.000
YEN	3.125	3.000	3.250

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES

	CHEQUES AND TRANSFERS	BANKNOTES	Rep.
	Buy	Sell	Buy
U.S. Dollar	1.4867	1.5053	1.48
U.K. Sterling	2.2784	2.3069	2.23
Deutch Mark	0.6739	0.6824	0.66
French Franc	0.2114	0.2140	0.20
Dutch Florin	0.5885	0.6000	0.59
Swiss Franc	0.8182	0.8285	0.80
Swedish Krone	0.2083	0.2109	0.20
Norweg. Krone	0.1974	0.1999	0.19
Danish Krone	0.1824	0.1844	0.18
Finnish Mark	0.2884	0.2930	0.28
Austr. Dollar	1.0719	1.0853	1.05
S. Africa Rand	1.0288	1.0417	0.95
Belgian Franc	0.5620	0.5690	0.48
Austrian Sch.	0.3275	0.3316	0.32
Italian Lire	0.5568	0.5709	0.34
Japanese Yen	0.9813	0.9936	0.96
Jordanian Dinar	100	0.8970	0.9082
Egyptian Pound	1	—	4.14
			0.79

THE JERUSALEM POST

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Right man for the job

AT LONG LAST, the country's central bank has a governor again. The government's choice of Michael Bruno for that post will doubtless please members of the economic fraternity, for Prof. Bruno is one of their own, and of the very best, too. But applause for the appointment should not be confined to the profession.

For once, the political stalemate within the reigning coalition has yielded an admirable result. Under the coalition agreement the selection of a governor for the Bank of Israel requires the consent of both of the major parties. Labour's candidate for the post, Deputy Finance Minister Adiel Amori, was for party political reasons unacceptable to the Likud, even though few doubted his competence. The Likud then cagily came up with the name of Prof. Bruno, who, for all his Peace Now proclivities, was much preferable to Mr. Amori. Likud leaders must have figured that Labour could not too strenuously object to the choice of the economic expert who had helped draft Labour's economic programme before the last elections. And they were proved right.

What Prof. Bruno will bring to the job of Bank of Israel governor is, first of all, non-partisan independence that will not be merely the result of his formal status, but a mark of character as well. At a time when the vacuum of economic policy-making within the government necessarily increases the already large role of the central bank, such independence is a prized asset.

The economic stabilization programme, of which Prof. Bruno was the chief architect, seems to have become stuck in a rut. Prime Minister Shimon Peres has apparently lost interest in economic policy, and nothing he can possibly initiate in the four months left until he hands the premiership to Yitzhak Shamir is likely to produce significant results. After the rotation in October, Mr. Shamir will not take much more interest in economic policy than he did when he was prime minister the last time around. And a year after the rotation the next election campaign will already start, if the coalition does not break up earlier.

In this situation, one firm anchor for economic policy-making will inevitably be the Bank of Israel under the firm guidance of a first-class professional.

Governor Bruno belongs to a rather rare species in being an economist's economist, but he has never taken shelter in the ivory tower. His academic interests have ranged widely, but his economic theorizing has more often than not been triggered by real life. Many of his publications are cast in the mathematical jargon favoured by economists, but he is equally able to translate them into the language a layman and politician can understand, without losing any of the analytical rigour or relevance for practical policy.

That unusual capacity has made him, in this year of the economic stabilization programme, the great persuader of politicians of all shades of opinion. He is known to have an extraordinary capacity for hard work, an ability to take a comprehensive view of economic developments, a remarkable organizational talent, and of course an intimate knowledge of the Bank of Israel where he started his professional career.

Needless to say, he has his job cut out for him. His role as economic adviser to the government has now become statutorily formalized, which means a far greater responsibility and the addition of a degree of power to persuasion: He inherits a central bank that needs overhauling. One of his first, and most unpleasant, tasks will be to implement the recommendations of the Bejski Commission. All this on top of the awesome task of helping navigate the economic ship of state.

S. AFRICA

(Continued from Page One)

Authoritative government sources say a broad alliance of opposition groups, including the ANC, the United Democratic Front and the black consciousness movements, had planned to make the period around June 16 the start of the final showdown with the government.

Heavily-armed troops and police yesterday barged into an open-air church service in the squalid township of Evaton south of Johannesburg, as Nobel Peace Prize laureate Bishop Desmond Tutu was appealing to all South Africa for restraint in the present crisis.

Some 50 troops with automatic rifles jumped from armoured cars and climbed over fences into the tiny churchyard while several hundred people led by Bishop Tutu, held a commemorative service ahead of today's anniversary.

Several soldiers released the safety catches of their rifles as tension rose in the crowd of about 500, many of them children and old people, and a senior police officer then chained the church gates locking everyone inside.

Bishop Tutu, head of the Anglican church in Southern Africa, pointedly

ignored a police officer who approached worshippers and he urged the congregation, "we must observe June 16 with the dignity it deserves, let us all show restraint." He paid no attention to the security force.

In Harare, Zimbabwean Prime Minister Robert Mugabe, speaking at a rally marking the Soweto uprising, called for the establishment of an African defence force to topple South Africa's government.

South Africa's latest crackdown on blacks has created a worldwide momentum for tough new sanctions that even the two leading opponents of such measures, the U.S. and Britain, could find impossible to resist.

The British press reported yesterday that Prime Minister Margaret Thatcher is ready for limited sanctions against South Africa to deflect mounting international criticism.

And in Luxembourg, the 12 European Community Foreign Ministers are expected to heatedly debate what the EC should do about South Africa when they meet today. One diplomat predicted a "bottle royal" between those who want a cautious line and others such as Denmark, Spain, Greece and Ireland, who want early EC sanctions. (AFP, Reuters, AP)

HAREDI

(Continued from Page One)

the more moderate elements in the haredi community.

Yesterday afternoon the rabbinical council of the Gur Hassidim met at the Tel Aviv yeshiva and decided that the desecrated books and religious objects would be put away in a geniza (storeroom for unusable religious books and objects). The Gur Hassidim will hold a mass demonstration and assembly at the yeshiva today.

Rabbi Yehoshua Scheinberger, popularly known as the "Health Minister of the Eda Haredit" for his liaison work with the secular medical community, told The Jerusalem Post yesterday that there was a mass movement by haredim, in the wake of the weekend's violence, to leave the country and move to Brooklyn.

Scheinberger was not the only haredi leader to condemn all violence. The followers of Rabbi Eliezer Schach, the former head of the Agudat Yisrael Council of Sages, reacted with anger yesterday to posters pasted on burnt shelters by Citizens Rights Movement activists, which indicated that Schach had given permission to burn the shelters.

"Rabbi Schach is against the licentious pictures [referring to his shelter advertisements] but he never said anything about destroying property," one follower said.

President Herzog took advantage of a ceremony honouring outstanding teachers to urge both religious and secular schools to use the remaining two weeks of the school year to teach tolerance and understanding.

"This is more important than any material that has to be made up by the end of the year," Herzog said. Education Minister Yitzhak Navon, also at the ceremony, expressed unhappiness that the two educational systems were totally separated, even in subjects where religion played no apparent part.

In response to the spiralling violence, National Police Commissioner David Kraus said police would increase their watch over bus shelters and synagogues with uniformed and plainclothes police.

Meanwhile Poster Media, the advertising company that owns the bus shelters whose posters of scantily clad women triggered off the reign of violence was told by the Jerusalem Magistrate's court yesterday not to dismantle the bus shelters around the city that have thus far escaped torching.

The Chief Rabbinical Council is also to decide today whether to call for a half-day of fasting on Thursday in mourning for books destroyed in the synagogue last week.

Something worth worrying about

D'VORA BEN SHAUL

MARK TWAIN was a worrier. At one point, he remarked that he had had a lot of worries in his life, but thanked the heavens that most of them never materialized. It is obvious that Mark Twain was not an Israeli, since we tend to take a totally different view of possible future troubles. We don't worry, or plan or even prepare, because we labour under the unshakable conviction that in any case it, whatever it may be, just can't possibly happen to us.

There is no area where this attitude is more obvious than in the way we relate to the conservation of our natural resources and the quality of our environment. One need but take a long look at the current water-crisis fiasco - particularly the way it is being handled - to be convinced of this.

Now that the thing that couldn't happen has actually happened, we are treated to a barrage of explanations and justifications. This includes the absurd answer of the water commissioner's office to charges by Prof. Hillel Shuval, head of the Israel Ecological Society, that the entire crisis has been brought about by a long history of mismanagement. The retort was short and sweet: "Prof. Shuval has never said anything in the past."

Not only is this an irrelevant and totally useless answer, but it is also patently untrue. Prof. Shuval, over at least the last decade and a half, has repeatedly spoken on this subject. As a matter of fact, he has done more research than any other scientist on the large number of wells in the coastal plains that have been permanently closed because of nitrate pollution by chemical fertilizers. Shuval, as well as the late Aluf (res.) Avraham Yoffe and his staff at the Nature Reserves Authority, have repeatedly warned that over-pumping from wells may permanently damage the delicate structure of the aquifers, rendering them incapable of holding water in the future.

to rip off the landlord for whatever we can get before we move on.

Like a colonial government in a foreign land, we are mining our resources rather than cherishing them and using them judiciously.

There are vast fields in this country where cotton has been grown year after year without rotation, without rest. There are eroded areas where overgrazing has defoliated the terrain and let the water do its work. Any fish that dared enter most of our rivers would come out looking like a skeletal model for an anatomy lesson, for the flesh would be eaten away by chemicals.

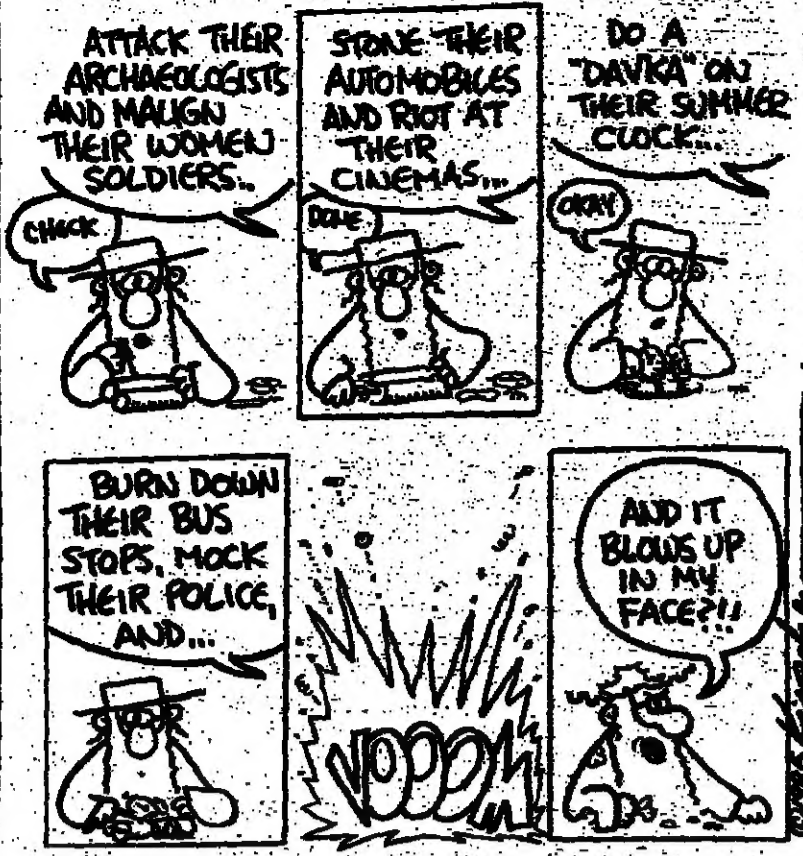
And in every case, until the calamity has happened, we have been told not to worry, it won't happen. As a matter of fact, when the Alexander river near Netanya was gasping its last for lack of oxygen and the water turtles were covered with sores from corrosive acids, the authorities on every front were still saying that the Nature Reserves Authority was exaggerating the dangers.

We have known since 1965 that something must be done about the disposal of toxic wastes, but the site for this is an open area where a Borgia banquet is laid out under the sun. Few industries bother with the site anyway because it is more convenient to dump their toxic wastes into the nearest wadi.

Now, with the swing towards micro-chip-producing plants, the problem is worsening. This is because the wastes from these processes are highly toxic. In California's Silicon Valley, the chief micro-chip-producing location in the U.S., dozens of wells have been destroyed by pollution from this industry. In view of this, it is absolutely in keeping that the proposed nuclear reactor is probably going to be underground. Out of sight is out of mind, they say, and if it's not on view, then we can pretend. We can pretend that we are the ideal place for a nuclear reactor. We can pre-

THIS IS NOT just a matter of the water shortage. The water crisis is also a symptom of the general condition regarding our natural resources. We pay lip service to the love of the land, but we have behaved, over the years, more like rapists than lovers. We have handled our resources as if we were short-term tenants trying

Dry Bones



tend that we have no geological faults under us, that we are not vulnerable to terrorist suicide attacks and that our on-the-job safety is the highest you could wish for. Of course, we can also pretend that it isn't a source of danger, but even if it were - it just couldn't happen to us.

AS TO the present crisis, what do the water commissioner and the ministers of agriculture and industry think we are going to do without water? Do they really think that if they ignore the problem it will go away? Do they really think that propaganda films about leaking faucets are the answer? Not that there's anything inherently wrong with the films, in fact they are quite good. But leaky taps are not the source of the problem, they are only a side issue.

Of course, if one can convince the average citizen that it's really all his own fault, then it's easier to justify past governmental neglect and present inertia.

This justification is, however, only

for the sake of prestige, not self-protection. No one considers the mismanagement of national resources to be a serious matter. When people lose money on the stock market we have a major investigation as to who was responsible. When the taps are running dry, no such try is heard.

We must save water now. All of us. But we must also demand that the water commissioner face facts and make the kind of drastic cuts in the water budget that will not only probably get us through the summer, but leave us with some minimal reserve for the coming year.

There can be no justification for failure to act now - but not with a token cut in water budgets and not with a drop in water prices to boot. We have always held on to the hope that, as poorly as things always have been managed, when the crunch was on we could depend on the fact that those responsible would wake up. But the crunch is now.

The writer is a member of The Jerusalem Post editorial staff.

READERS' LETTERS

MORAL RENEWAL IN AUSTRIA

To the Editor of The Jerusalem Post Sir, - "The election shows very clearly that the Austrian people want a moral renewal," says newly elected Austrian President Kurt Waldheim to reporters after his victory (June 9). What arrogance!

If the Austrian people are truly seeking moral renewal, then why did a majority of them vote for Kurt Waldheim? Even if direct involvement by Waldheim in Nazi war crimes could not be proven unequivocally, his complicity and knowledge of crimes, such as the deportation of Greek Jews and the killing of Greek and Yugoslav partisans, was proven. It was also proven that Waldheim unabashedly lied about his war years in order to advance his career. This is certainly not a moral characteristic.

What is even more disturbing in this whole matter is the apparent

unrepentant attitude of many Austrians to their Nazi past. When the average Austrian man in the street is resentful of 'Jewish meddling' in the Waldheim affair, it should alert us to the fact that deeply rooted anti-Semitism still exists in the world.

As the Executive Director of Bridges for Peace, a Christian organization dedicated to Christian-Jewish understanding and the fight against anti-Semitism, I call upon all Christians to join us by speaking out and taking a stand against the injustice of anti-Semitism, wherever it may be found. Let us not stand idly by and witness a repeat of history, but see to it that anti-Jewish and anti-Israel statements and activities do not go unchallenged.

CLARENCE H. WAGNER
Executive Director,
Bridges for Peace

Jerusalem.

SUBLIME INDIFFERENCE

To the Editor of The Jerusalem Post Sir, - How tragicomic to read Samuel Solomon's letter of June 3 about the B'nei Akiva Movement's devotion to the sublime Tora injunction, "Love thy neighbour as thyself."

Woe betide you if you are unlucky enough to be one of B'nei Akiva's neighbours, as the only thing sublime about it is its sublime indifference to its neighbours.

Every Shabbat as well as several times during the week, hordes of youngsters congregate at the club in

THE EXCEPTIONAL CHILD

To the Editor of The Jerusalem Post Sir, - In response to Daniel Gavron's recent article on Yitzhak Yitzhaki, I would offer one minor point.

Mr. Yitzhaki states that there is no English translation for "hayeled heharig." As a professional educator, may I say we do have a term for it - "the exceptional child." The term is an all-inclusive one which covers every aspect in the area of the disadvantaged child. In fact, there are dozens of textbooks with the title "The Exceptional Child" covering the mentally retarded, the brain-injured, etc.

S.P. RUGGILL

Tulson, Arizona.

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